

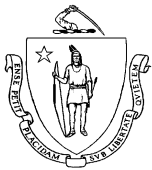
Request for Response

**Commonwealth of Massachusetts IRC 457 Deferred Compensation Plan
& Commonwealth Sponsored Non-Profit Plan
Third-Party Administration & Recordkeeping Services**

December 24, 2012

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Request for Response Office of the State Treasurer and Receiver-General

Address: One Ashburton Place, 12th Floor, Boston, Massachusetts 02108
Telephone #: (617) 367-3900; Fax #: (617) 367-3645
Internet Address: <http://www.state.ma.us/treasury>
RFR File Name/Title: IRC 457 Deferred Compensation Plan & Non-Profit Plan – Third-Party Administration & Recordkeeping Services
RFR File Number: 12-DC-Third-PartyAdmin-Recordkeeper
RFR Contact Person: Amelia Timbers

I. SUMMARY AND PURPOSE

The Treasurer and Receiver-General of the Commonwealth of Massachusetts, requests responses from qualified firms interested in providing third-party administration and recordkeeping services; educational and communication services; high quality, reasonably priced individual investment advice services; and access to a mutual fund window to the Commonwealth of Massachusetts IRC 457 Deferred Compensation Plan ("Plan"). More detailed descriptions of these services are set forth under Section VI.A. "SCOPE OF SERVICES." Additionally, any Bidder awarded the contract(s) for the Commonwealth's Deferred Compensation Plan shall, at the election of the Treasury, provide the same or similar services contemplated by this RFR, under the same or similar terms, to the Commonwealth-sponsored retirement plan established for employees of non-profit organizations (Chapter 60 of the Acts of 2012). (Please see Section VI.A. "SCOPE OF SERVICES" for more information with respect to this aspect of the RFR).

Bidders submitting responses are subject to the provisions in SECTION IV ("SPECIFICATIONS, REQUIREMENTS & COMPONENTS") and must meet the PHASE I requirements/criteria detailed in Section V, Subsections A & B ("MINIMUM QUALIFICATIONS" and "LEGAL AND OTHER REQUIREMENTS") and submit mandatory documents as described in Section V, Subsection C ("MANDATORY ATTACHMENTS AND ENCLOSURES"). **Bidders should submit one handwritten original of each Mandatory Attachment that requires a signature. (Please use blue ink for all original signatures).**

II. GENERAL INFORMATION

To the maximum extent possible the Office of the State Treasurer and Receiver-General (the "Treasury") is following the rules and regulations set forth in 801 Code of Massachusetts Regulations ("CMR") 21.00: Procurement of Commodities and Services in this Request for Response ("RFR"). All terms, conditions, requirements, and procedures included in this RFR must be met for a response to be qualified as responsive. A response that fails to meet any material term, condition, requirement or procedure of this RFR may be deemed unresponsive and disqualified. The Treasury reserves the right to waive or permit cure of non-material errors or omissions. **The Treasury and the subject Procurement Management Team (PMT) reserves the right to modify, amend or cancel the terms of the RFR at any time.** Unless otherwise specified, all communications, responses, and documentation regarding this RFR must be in English, all measurements must be provided in feet, inches, and pounds and all cost proposals or figures in U.S. Currency. All responses must be submitted in accordance with the specific terms of this RFR. No electronic responses may be submitted in response to this RFR.

This RFR is in accordance with the World Trade Organization Government Procurement Agreement.

Copies of this RFR may be obtained electronically at the Treasury website at <http://www.mass.gov/treasury> & on Comm-PASS at <http://www.comm-pass.com/>.

III. RFR CALENDAR, INSTRUCTIONS & EVALUATION PROCESS

A. RFR CALENDAR / TIMELINE

This section provides the anticipated timeline for the Office of the State Treasurer and Receiver-General's RFR and vendor selection process with respect to the services sought herein. All dates are subject to modification by the Office of the State Treasurer and Receiver-General at any time, with notice.

- Issuance of RFR Thursday, December 13, 2012
- Bidders' Conference Friday, January 4, 2013, 10:00AM

The Bidders' Conference will be held in person at One Ashburton Place, Boston, MA 02108 in the basement level Cafeteria Conference Room at the time and date noted above.
- Bidder Question Deadline Friday, January 11, 2013, at 3:00 PM ET
- Post Answers to Bidder Questions Friday, January 18, 2013
(posted on Comm-PASS at <http://www.comm-pass.com/> & <http://www.mass.gov/treasury>)
- RFR Bidder Submission Deadline Thursday, February 7, 2013, 5:00 PM ET
- Interviews / Oral Presentations (OPTIONAL) Week of February 25, 2013
(estimated schedule subject to change)
- Site Visits (OPTIONAL) Week of March 4, 2013
(estimated date subject to change)
- Approximate Contract Award Date Week of March 18, 2013 or earlier
(estimated date subject to change)

NOTE: Questions concerning the RFR must be submitted to the RFR Contact Person in writing via email to procurements@tre.state.ma.us:

Amelia Timbers, Legal and Financial Analyst
Office of the State Treasurer and Receiver-General
ATTN: Third-Party Administration & Recordkeeping Services
One Ashburton Place, 12th Floor
Boston, Massachusetts 02108
E-mail Address: procurements@tre.state.ma.us
Fax: (617) 367-3645

B. RFR INSTRUCTIONS

1. **Response Submission.** The original, plus seven (7) hard paper copies, and two (2) compact disks of the Bidder's response and attachments must be delivered to the Office of the State Treasurer and Receiver-General in the same sealed package no later than **5:00 p.m. EST on Thursday, February 7, 2013.** **The Cost Proposal may be submitted in the same package as the rest of the Response, but must be submitted under separate cover in a separate sealed envelope labeled "Cost Proposal." Failure to meet this requirement will result in disqualification of the bid.** Responses and attachments received after this deadline date and time will not be evaluated. A facsimile response will not qualify as a "submission" for deadline purposes in advance of or in lieu of a hard copy submission.

Responses and attachments should be delivered to:

Amelia Timbers, Legal and Financial Analyst
Office of the State Treasurer and Receiver General
ATTN: Third-Party Administration & Recordkeeping Services
One Ashburton Place, 12th Floor
Boston, Massachusetts 02108

2. **Response Format.** Failure to follow these formatting requirements may result in the disqualification of the Bidder's response. Please organize your response in the following order:
 - a. Cover Letter
 - b. Table of Contents
 - c. Executive Summary
 - d. Mandatory Attachments (*see* Section V.C)
 - e. Phase Two Questionnaire

NO cost information shall be included anywhere in the response except in a separate sealed envelope (*see* SECTIONS III.B.1, III.B.3)

3. **Cost Proposal.** **The Cost Proposal must be submitted under separate cover from the rest of the Response in a separate sealed envelope labeled "Cost Proposal."** Failure to meet this requirement will result in disqualification of the bid. Please also be advised that the Cost Proposal must have an original signature by a person authorized to bind the firm with respect to this RFR. ***See Attachment A for the Cost Proposal matrix.***
4. **Response Provisions.** When responding to this RFR, Bidders should take note of the following provisions:
 - a. The Treasury reserves the right to request additional information from Bidders responding to this RFR. Additionally, upon reviewing the responses the Treasury may decide to hold oral presentations / interviews and have certain firms make oral presentations/come in for interviews.
 - b. The Treasury reserves the right to reject any and all responses to this request, to waive any minor informality in a response, to request clarification of information from any Bidder responding, and to effect any agreement deemed by the Treasury to be in the Commonwealth's best interest with one or more of the Bidders responding. The Treasury reserves the right to amend or cancel this RFR at any time.
 - c. All responses and their contents will become the sole property of the Commonwealth/Treasury upon receipt by it and will not be returned to the Bidder.

- d. The Treasury will not reimburse any Bidder for any costs associated with the preparation or submittal of any response to this request or for any travel and/or per diem incurred in any presentation of such responses.
 - e. The narrative response should address all items included in each section of the Technical Proposal. (The response to the Questionnaire [Section VII of the RFR] is the Technical Proposal).
 - f. The written response (content) shall be limited to replies totaling **no more than 75 pages, front and back (equivalent to 150 single-sided pages)**. Any response over this limit, excluding the requested mandatory attachments and exhibits will not be considered. [ADV Forms will not count as a part of the 75-page double-sided page limit].
5. **Disqualification of Responses.** Reasons for disqualification of responses include, but are not limited to:
- a. Late Proposals: Proposals that are received after the deadline date and time shall be automatically disqualified.
 - b. Nonresponsive Proposals: A response that fails to meet any material term, condition, requirement or procedure of this RFR may be deemed unresponsive and disqualified. The Treasury reserves the right to waive or permit cure of non-material errors or omissions. Non-responsive proposals shall include, but not be limited to those, which fail to address or meet any mandatory item, and those submitted in insufficient number, or in incorrect format.
 - c. Collusion: Collusion by two or more Bidders agreeing to act in a manner intended to avoid or frustrate fair and open competition is prohibited and shall be grounds for rejection or disqualification of a proposal or termination of this contract. Bidders will be required to complete a “Certificate of Non-Collusion” as one of the mandatory attachments.
 - d. Debarred Bidders or Subcontractors: A Bidder who is currently subject to any Commonwealth or federal debarment order or determination, shall not be considered for evaluation by the PMT. If a Bidder’s proposal is dependent upon the services of a named subcontractor and the disqualification of this named subcontractor would materially alter the proposal, then that proposal shall be deemed unresponsive if the named subcontractor is found to be debarred. Proposals that indicate that subcontractors will be used but do not rely on any specifically named subcontractor shall not be deemed unresponsive if the disqualification of a proposed subcontractor will not materially alter the proposal.

C. RFR EVALUATION PROCESS

1. **Evaluation Process.** The RFR Evaluation Process will be conducted in three phases. A review team consisting of staff from the Office of the State Treasury and Receiver-General will complete the Phase One Review for all proposal submissions. The purpose of the Phase One Review is to eliminate any bids that are nonresponsive to the requirements of the RFR. Bids that are deemed to be qualified based on the Phase One Review will be submitted to the PMT for additional review (Phase Two Review). Only after the completion of Phase Two will the sealed cost proposal(s) be opened and evaluated as a part of Phase Three. Prior to the final recommendation, the PMT may request a “Best and Final Offer” from some or all of the Bidders. The PMT will consider any Best and Finals Offers made in a reevaluation of Phase Three. The PMT will make a recommendation to the State Treasurer and Receiver-General who will then accept or reject the recommendation. The State Treasurer and Receiver-General will make the final selection decision. **(Phase One, Phase Two, and Phase Three of this RFR will be evaluated separately).**

- a. **Phase One Review:** Bidders responses will be reviewed based on listed criteria and completeness of response, including mandatory attachments and compliance to submission criteria (refer to Section V: Phase One Requirements beginning on page 15. The Office of the State Treasurer and Receiver-General reserves the right to engage in a bidders' conference, waive or permit cure of non-material errors or omissions and to initiate Phase Two Review prior to concluding Phase I Review, particularly in cases of non-material error or omissions. Staff at the Office of the State Treasurer and Receiver-General will conduct this portion of the review. Please complete Attachment D ("Mandatory Attachment Checklist") to ensure completion of required documents and attach it to the cover letter.

- b. **Phase Two Review: Qualified bids, based on the Phase One Review, will be considered for additional review in Phase Two.** Scoring criteria for the evaluation of proposals will be as follows:
 - **10% – Stability and General Experience of the Firm**
 - Stability of the firm, as measured by the quality of the organizational structure of the firm; the existence of, or potential for, significant developments in the firm; and the expected financial stability of the firm.
 - Experience of the firm in providing services to similar clients, as measured by the firm's history of providing such services; and the similarity of a firm's clients to the Commonwealth's Plan.
 - Adverse organizational issues, such as the existence of litigation or regulatory proceedings or investigations; and the existence of financial problems.

 - **10% – Quality, Stability, Depth and Experience of Personnel**
 - Experience of the personnel providing similar services to similar clients, as measured by the length of time the personnel have provided such services to clients; demonstrated expertise in providing such services to other such clients; demonstrated organizational skills, and demonstrated ability to interact with both the staff and oversight bodies.
 - Experience of professionals in providing services as measured by the length of time dedicated support staff have provided such services to similar clients.
 - Depth of personnel, as measured by amount of staff and resources that will be dedicated to the Commonwealth.
 - Stability of the firm's professional base, as measured by personnel turnover.

 - **20% – Recordkeeping, Administration and Trust Services**
 - Ability and experience in providing recordkeeping and administration services to deferred compensation plans and the ability to comply with the reporting requirements of the Commonwealth.
 - Ability and experience in operating and maintaining a system capable of providing enrollment, accounting, disbursement, and reporting services to participants and the Commonwealth.
 - Ability and experience in interacting with multiple payroll systems (manual and electronic).
 - Ability to accommodate a Roth IRA account as allowed by Sections 2111 and 2112 of the Small Business Jobs Act of 2010 ("SBJA").
 - Selected Bidder's legal staff to address all questions and issues before forwarding to the Plan for further consultation.

 - **20% – Communication and Educational Services**

- Ability and experience to implement a comprehensive and on-going marketing, enrollment and educational campaign.
- Ability to customize/enhance participant statements as directed by the Plan.
- Ability to adopt style and design of materials utilized by the Plan.
- 20% – Advice Services
 - Ability to evaluate and incorporate the Plan’s investment options in the individual investment advice.
 - Depth and quality of services provided to participants, including process and methodology for providing general investment and financial planning advice for participants and their families as well as specific advice on asset allocation and fund selection with respect to the plan’s investment options.
 - Depth and quality of services provided to the Commonwealth as plan sponsor.
 - Ability to provide individual participants with a variety of advice delivery vehicles, including but not limited to, internet-based investment advice, “live” telephone-based investment advice, and “in-person” investment advice.
 - Ability to integrate investment advice with the recordkeeping system, third party administrator, and the Plan’s education/communication program.
 - Existence of corporate conflicts of interest that may affect the quality or credibility of investment advice to participants.
 - Nature and structure of compensation to personnel providing investment advice to participants (*e.g.*, salary vs. commission).
 - Existence, nature and structure of any revenue-sharing arrangements between the advice provider and any other provider of investment-related services.
- 5% – Mutual Fund Window
 - Ability to provide seamless integration of mutual fund window service with the recordkeeping system.
 - Flexibility of the mutual fund window options in terms of number, format and type of options.
 - Depth and quality of services provided to participants.
 - Depth and quality of services provided to plan sponsor (*i.e.*, the Treasury).
- 5% – Client Relations and References
 - Stability of the firm's client base as measured by the number of clients gained or lost.
 - Quality of references from clients, as measured by responses relating to quality; knowledge, accessibility and quality of client services. The PMT reserves the right to contact any named references and consider the references received.
- 5% – Invest in Massachusetts. All responsive Bidders/Proposers **must** submit with their bids an *Invest in Massachusetts Data Form* (“IMD Form”). See Section V.C.15 and Attachment the “Invest in Massachusetts – Instructions” Attachment for further information.
- 5% – Treasury Supplier Diversity Program (TSDP). The Office of the State Treasurer and Receiver-General requires all responsive Bidders to submit a *Treasury Supplier Diversity Program Plan Form* (“TSDP Plan Form”) with its response. (See Section V.C.14 and the “Treasury Supplier Diversity Program Instructions” Attachment for further information on the TSDP Plan Form, and how this section will be scored).

- c. **Phase Three Review:** The Phase Three Review will be conducted for all services sought in this RFR. Cost will be evaluated in relationship to the Phase Two Review and scoring of Bidders' responses. The Phase Two score will represent 80% and Cost will represent 20% of the Phase Three score in order to determine "best value." The successful proposal will be determined based on the one that represents the "best value" overall and achieves the procurement goals.
 - **20% – Fee Proposal:** Cost will be evaluated based on the fee for services provided. 18% allocated to the Deferred Compensation Plan and 2% to the Plan for Non-Profits.
 - **80% – Phase Two Criteria.** The total Phase Two score will represent 80% of the Phase Three score.
2. **ORAL PRESENTATIONS / INTERVIEWS.** After completion of Phase One and Phase Two but prior to Phase Three, the PMT shall have the option to invite all or some Bidders to make oral presentations / come in for interviews. Oral presentations/interviews provide the PMT with an opportunity to evaluate the Bidder through the presentation of their proposal. Bidders will not be informed of their rank at the time of the oral presentation / interview. Additionally, the PMT reserves the right to adjust any Phase II score following any Oral Presentation / Interview, and before proceeding on to Phase III.

The time allotments and the format shall be the same for all oral presentations. The PMT will give the Bidder at least three (3) business days' prior notice regarding the date of an oral presentation. The PMT may waive the location and medium requirements of an oral presentation upon the written request of a Bidder due to special hardships, such as a Bidder with disabilities or limited resources. In these circumstances the PMT may conduct oral presentations through an alternative written or electronic medium (*e.g.*, telephone, videoconference, TTY or Internet). The PMT may require the Bidders assign key personnel to conduct the oral presentation / interview.

A Bidder is limited to the presentation of material contained in its proposal, with the limited exception that a Bidder may address specific questions posed by the PMT or provide clarification of information contained in its proposal. Any correction or modification of the proposal or the presentation of supplemental information shall be considered prejudicial to the interests of other Bidders and fair competition and shall not be permitted. A Bidder's attempt to submit such corrections, modifications or supplemental information during an oral presentation may subject the Bidder's proposal to disqualification. A Bidder's failure to agree to an oral presentation may result in disqualification from further consideration. Oral presentations may be recorded by the Office of the State Treasurer and Receiver-General as a matter of public record.
3. **On-Site Visits (Optional).** The PMT reserves the right to conduct on-site inspections of any or all Bidder locations at any time prior to the awarding of this contract to verify the Bidder's ability to perform the services required. The PMT shall schedule the time of these site visits and shall provide notice of at least three (3) business days before a visit. Failure to agree to a site visit may result in disqualification of a Bidder's proposal. Only those firms that were evaluated in Phase II and were invited for an oral presentation / interview will be the subject of an on-site inspection, in the event the PMT elects to conduct such an on-site inspection.

IV. SPECIFICATIONS, REQUIREMENTS & COMPONENTS

By submitting a Response to this RFR, the Bidder agrees to comply with all of the RFR required specifications, components and requirements listed below in Section IV. A & B:

A. RFR REQUIRED SPECIFICATIONS

1. **Alternatives.** Unless otherwise specified, Bidders should submit responses proposing alternatives that provide equivalent, better or more cost-effective performance than achievable under the stated RFR specifications. These alternatives may include related services that may be available to enhance performance during the period of the contract. The response should describe how any alternative achieves substantially equivalent or better performance to that of the RFR specifications. The Office of the State Treasurer and Receiver-General will determine if a proposed alternative method of performance achieves substantially equivalent or better performance. The goal of this RFR is to provide the best value of commodities and services to achieve the procurement goals of the department. Bidders that propose discounts, uncharged commodities and services or other benefits in addition to the RFR specifications may receive a preference or additional points under this RFR as specified.
2. **Best Value Selection and Negotiation.** The PMT and/or the State Treasurer and Receiver-General may select the response(s) that demonstrate(s) the “Best Value” overall.
3. **Bidder Communication.** Bidders are prohibited from communicating directly with any employees of the Office of the State Treasurer and Receiver-General or any member of the Procurement Management Team (“PMT”) regarding this RFR, except as specified in this RFR, and no other individual Commonwealth employee or representative is authorized to provide any information or respond to any question or inquiry concerning this RFR. Bidders may contact the contact person for this RFR in the event this RFR is incomplete or the Bidder is having trouble obtaining any required attachments electronically through Comm-PASS. Failure to observe this rule will result in disqualification.

In addition, firms that intend to submit a bid/proposal should not discuss this RFR with members of the Deferred Compensation Plan Committee, employees of the Pension Reserves Investment Management Board (“PRIM”), or any employee of the Commonwealth's current third-party administrator (Great-West Retirement Services), investment managers, consultants (Hewitt EnnisKnupp), legal counsel or other advisors.

4. **Brand Name or Equal.** Unless otherwise specified in this RFR, any reference to a particular trademark, trade name, patent, design, type, specification, producer or supplier is not intended to restrict this RFR to any manufacturer or proprietor or to constitute an endorsement of any service. The Office of the State Treasurer and Receiver-General will consider clearly identified offers of substantially equivalent services submitted in response to such reference.
5. **Comm-PASS.** Comm-PASS is the official system of record for all procurement information which is publicly accessible at no charge at www.comm-pass.com. Information contained in this document and in each tab of the Solicitation, including file attachments, and information contained in the related Bidders’ Forum(s), are all components of the Solicitation.

Bidders are solely responsible for obtaining all information distributed for this Solicitation via Comm-PASS, by using the free Browse and Search tools offered on each record-related tab on the main navigation bar (Solicitations and Forums). Forums support Bidder submission of written questions associated with a Solicitation and publication of official answers. All records on Comm-PASS are comprised of multiple tabs, or pages. For example, Solicitation records contain Summary, Rules, Issuer(s), Intent or Forms & Terms and Specifications, and Other Information tabs. Each tab contains data and/or file attachments provided by the Procurement Management Team. All are incorporated into the Solicitation.

It is each Bidder’s responsibility to check Comm-PASS for:

- Any addenda or modifications to this Solicitation, by monitoring the “Last Change” field on the Solicitation’s Summary tab, and

- Any Bidders' Forum records related to this Solicitation (see Locating a Online Bidders' Forum for information on locating these records).

The Commonwealth accepts no responsibility and will provide no accommodation to Bidders who submit a Response based on an out-of-date Solicitation or on information received from a source other than Comm-PASS.

Bidders may not alter (manually or electronically) the RFR language or any RFR component files. Modifications to the body of the RFR, its specifications, or terms and conditions, which change the intent of this RFR are prohibited and may disqualify a response.

6. **Comm-PASS SmartBid Subscription.** Bidders may elect to obtain an optional SmartBid subscription which provides value-added features, including automated email notification associated with postings and modifications to Comm-PASS records. When properly configured and managed, SmartBid provides a subscriber with:
 - A secure desktop within Comm-PASS for efficient record management;
 - A customizable profile reflecting the subscriber's product/service areas of interest;
 - A customizable listing in the publicly accessible Business Directory, an online "yellow-pages" advertisement;
 - Full-cycle, automated email alert whenever any record of interest is posted or updated;
 - Access to Online Response Submission, when allowed by the Issuer, to support: paperless bid drafting and submission to an encrypted lock-box prior to close date; electronic signature of OSD forms and terms; agreement to defer wet-ink signature until Contract award, if any; withdrawal of submitted bids prior to close date; and online storage of submitted bids.

Every public purchasing entity within the borders of Massachusetts may post records on Comm-PASS at no charge. Comm-PASS has the potential to become the sole site for all public entities in Massachusetts. SmartBid fees are only based on and expended for costs to operate, maintain and develop the Comm-PASS system.

7. **Conflict of Interest.** Prior to award of any contract, the Bidder/Vendor shall certify in writing to the procuring agency that no relationship exists between the Bidder/Vendor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the Bidder/Vendor and another person or organization that constitutes a conflict of interest with respect to a state contract. No official or employee of the Commonwealth who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this project shall, prior to the completion of the project, voluntarily acquire any personal interest, either directly or indirectly, in this contract or proposed contract.

The Bidder shall provide assurance that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder. The Bidder shall also provide assurances that no person having any such known interests shall be employed during the performance of this contract.

8. **Costs.** Costs that are not specifically identified and defined in the Bidder's response, and accepted by the Office of the State Treasurer and Receiver-General as part of a Contract, will not be compensated under any Contract awarded pursuant to this RFR. The Commonwealth will not be responsible for any costs or expenses incurred by Bidders responding to this RFR.
9. **Electronic Communication/Update of Bidder's/Contractor's Contact Information.** It is the responsibility of the prospective Bidder and awarded Contractor to keep current the E-mail address of the Bidder's contact person and prospective contract manager, if awarded a contract, and to monitor that E-mail inbox for communications from the PMT, including requests for clarification. The PMT and the Commonwealth assume no responsibility if a prospective Bidder's/awarded Contractor's designated E-mail address is not current, or if technical problems,

including those with the prospective Bidder's/awarded Contractor's computer, network or Internet service provider (ISP) cause E-mail communications sent to/from the prospective Bidder/awarded Contractor and the PMT to be lost or rejected by any means including E-mail or spam filtering.

10. Environmental Response Submission Compliance. In an effort to promote greater use of recycled and environmentally preferable products and minimize waste, all responses submitted should comply with the following guidelines:

- All copies should be printed double sided.
- All submittals and copies should be printed on recycled paper with a minimum post-consumer content of 30% or on tree-free paper (i.e., paper made from raw materials other than trees, such as kenaf). To document the use of such paper, a photocopy of the ream cover/wrapper should be included with the response.
- Unless absolutely necessary, all responses and copies should minimize or eliminate use of nonrecyclable or nonreusable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three ringed binders, glued materials, paper clips, and staples are acceptable.
- Bidders should submit materials in a format which allows for easy removal and recycling of paper materials.
- Bidders are encouraged to use other products that contain recycled content in their response documents. Such products may include, but are not limited to, folders, binders, paper clips, diskettes, envelopes, boxes, etc. Where appropriate, bidders should note which products in their responses are made with recycled materials.
- Unnecessary samples, attachments, or documents not specifically asked for should not be submitted.

11. Estimated Provisions. The Office of the State Treasurer and Receiver-General makes no guarantee that any commodities or services will be purchased from any contract resulting from this RFR. Any estimates and/or past or current procurement volumes referenced in this RFR are included only for the convenience of Bidders, and are not to be relied upon as any indication of future purchase levels.

12. HIPAA: Business Associate Contractual Obligations. Bidders are notified that any department meeting the definition of a Covered Entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) will include in the RFR and resulting contract sufficient language establishing the successful bidder's contractual obligations, if any, that the department will require in order for the department to comply with HIPAA and the privacy and security regulations promulgated thereunder (45 CFR Parts 160, 162, and 164) (the Privacy and Security Rules). For example, if the department determines that the successful bidder is a business associate performing functions or activities involving protected health information, as such terms are used in the Privacy and Security Rules, then the department will include in the RFR and resulting contract a sufficient description of business associate's contractual obligations regarding the privacy and security of the protected health information, as listed in 45 CFR 164.314 and 164.504 (e), including, but not limited to, the bidder's obligation to: implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the protected health information (in whatever form it is maintained or used, including verbal communications); provide individuals access to their records; and strictly limit use and disclosure of the protected health information for only those purposes approved by the department. Further, the department reserves the right to add any requirement during the course of the contract that it determines it must include in the contract in order for the department to comply with the Privacy and Security Rules. Please see other sections of the RFR for any further HIPAA details, if applicable.

13. Minimum Bid Duration. Bidder responses/bids made in response to this RFR must remain in effect for 120 days from the date of bid submission.

14. **Public Records.** All responses and information submitted in response to this RFR are subject to the Massachusetts Public Records Law, Massachusetts General Laws (“M.G.L.”), Chapter 66, Section 10, and Chapter 4, Section 7, Subsection 26. Any statements in submitted responses that are inconsistent with these statutes will be disregarded. Bidders are advised that all proposals are deemed sealed, and therefore their contents will be treated as confidential and will not be disclosed to competing Bidders until the evaluation process has been completed, the contract has been awarded and negotiations are finalized.
15. **Reasonable Accommodation.** Bidders with disabilities that seek reasonable accommodation, which may include the receipt of RFR information in an alternative format, must communicate such requests in writing to the contact person. Requests for accommodation will be addressed on a case-by-case basis. A Bidder requesting accommodation must submit a written statement which describes the Bidder’s disability and the requested accommodation to the contact person for the RFR. The PMT reserves the right to reject unreasonable requests.
16. **Restriction on the Use of the Commonwealth Seal.** Bidders and contractors are not allowed to display the Commonwealth of Massachusetts Seal in their bid package or in any subsequent marketing materials if they are awarded a contract. Use of the coat of arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law.
17. **Prohibition Against Selling or Distributing Information.** Any Bidder awarded a contract under this RFR is prohibited from selling or distributing any information collected or derived from the contract and/or procurement process, including lists of participating or eligible Commonwealth of Massachusetts employee names, telephone numbers, email addresses or addresses.

B. COMPONENTS OF PROCUREMENT

1. **Duration and Renewal Options.** The State Treasurer and Receiver-General intends to enter into a five (5) year contract with the selected Bidder(s) for the services solicited in this RFR. The State Treasurer and Receiver-General may, at his option, extend the contract for additional one year period(s) for a maximum contract term not exceeding ten (10) years, under the same or better terms and conditions as negotiated if deemed in the best interest of the Commonwealth and Plan Participants. Bidders who offer price guarantees for the life of the contract will be held to that offer or such better terms as are negotiated.
2. **Acquisition Method.**
- | | |
|---|--|
| <input type="checkbox"/> Outright Purchase | <input type="checkbox"/> Tax-exempt Lease Purchase |
| <input type="checkbox"/> License | <input type="checkbox"/> Term Lease |
| <input checked="" type="checkbox"/> Fee for Service | <input type="checkbox"/> Lease Purchase |
| | <input type="checkbox"/> Rental (not to exceed 6 months) |
| | <input type="checkbox"/> Other (specify) |
3. **Single or Multiple Contracts.** The State Treasurer and Receiver General reserves the right to award the contract to a single vendor or multiple vendors, in the best interest of the Office of the State Treasurer and Receiver-General and the Commonwealth of Massachusetts Deferred Compensation Plan. The Bidder must agree to cooperate with such other Bidders, and must not commit or permit any act that may interfere with the performance of work by any other Bidder.
4. **Contract Guidelines.** (Those that apply are checked.)
- | |
|--|
| <input checked="" type="checkbox"/> Only the Office of the State Treasurer and Receiver-General may contract under RFR |
| <input type="checkbox"/> Option to allow other Departments/political subdivisions to contract under RFR |
| <input type="checkbox"/> Statewide Contract |
| <input type="checkbox"/> Multi-Treasury User Contract |

- ❑ Pre-Qualification List

5. **Anticipated Expenditures, Funding or Compensation for Expected Duration.** Subject to selected Bidder's quotes and rates, subject to negotiation.

6. **Contract Performance and Additional Business Specifications.**

- a. **Evaluation and Selection of Contractor.** The Treasury shall have sole authority to evaluate and make the final selection of Bidder(s) for contract negotiation(s) pursuant to this RFR. The selection will be made after evaluation of both technical and cost proposals by the PMT and final approval by the State Treasurer and Receiver-General.
- b. **Change in Terms.** The Treasury reserves the right to modify the specifications identified in the RFR at any time prior to the closing date. The Treasury reserves the right to negotiate with the selected Bidder(s) as to any element of cost or performance, including without limitation, elements identified in the RFR and/or the selected Bidder's response in order to achieve the best value for the Commonwealth. The Office of the State Treasurer and Receiver-General reserves the right to request from any Bidder a "best and final offer" as to the Bidder's proposal or cost proposal.
- c. **Termination or Suspension.** Vendor/Contractor's services may be terminated or suspended from the Office of the State Treasurer and Receiver-General's contract for various reasons, including but not limited to poor performance, failure to perform, fraud or other cause immediately upon written notice by the Treasury. Vendors/contractors may be terminated from the contract without cause upon thirty (30) days prior written notice. The Vendor/Contractor may not terminate the contract or performance thereunder except upon a minimum of 180 days written notice to the Office of the State Treasurer and Receiver-General. Other terms regarding contract termination are subject to negotiation between the selected Bidder(s) and the Office of the State Treasurer and Receiver-General.
- d. **Permits and Compliance.** The Vendor/Contractor shall procure and pay for all permits, licenses and approvals necessary to perform the services solicited in this RFR. The Vendor/Contractor shall comply with all applicable laws, ordinances, rules, orders and regulations related to the performance of the services solicited. The Office of the State Treasurer and Receiver-General may, at its option, request documentation evidencing the Vendor/Contractor's compliance.
- e. **Rejection of Proposals.** The Office of the State Treasurer and Receiver-General reserves the right to reject any and all proposals submitted under this solicitation.
- f. **Fees Subject to Office of the State Treasurer and Receiver-General Signatory Authorization.** All fees must be approved by the State Treasurer and Receiver-General or his designee and are subject to verification of performance.
- g. **Confidentiality Policy Regarding Bidder's Support Staff and/or Vendors.** The Office of the State Treasurer and Receiver-General may require Bidders' support staff or outside vendors to sign a confidentiality agreement for the confidential information they will have or have access to.
- h. **Subcontracting Policies.** Prior approval of the department is required for any subcontracted service of the contract. Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors. Human and social service subcontractors are also required to meet the same state and federal financial and program reporting requirements and are held to the same reimbursable cost standards as contractors.

- i. **Contract Expansion.** If additional funds become available during the contract duration period, the department reserves the right to increase the maximum obligation to some or all contracts executed as a result of this RFR or to execute contracts with contractors not funded in the initial selection process, subject to available funding, satisfactory contract performance and service or commodity need.
- j. **Concurrent Contracts Running (Renewals and Transitions).** The Treasurer and Receiver-General shall cancel the contract if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal year succeeding the first year or if satisfactory performance by the contractor does not ensue. The Treasurer and Receiver-General will also have the right to sole discretion in exercising an option to renew, which will not be subject to contractor acceptance or agreement. Any assistance required for this transition must be provided in a smooth and timely manner. If at any time the contract is canceled, terminated or expires, and a contract is subsequently executed with a firm other than the contractor, the contractor has the affirmative obligation to assist in the smooth transition of contract services to the subsequent contractor.
- k. **Pricing: Price Limitation:** The Bidder must agree that no other state or public entity customer within the United States of similar size and with similar terms and conditions shall receive a lower price for the same commodity and service during the contract period, unless this same lower price is immediately effective for the Commonwealth. If the Commonwealth believes that it is not receiving this lower price as required by this language, the Bidder must agree to provide current or historical pricing offered or negotiated with other state or public entities at any time during the contract period in the absence of proprietary information being part of such contracts.
- l. **Submission of Proposal Materials and Oral Presentation.** All materials, representations and submissions made within the proposal and at the oral presentation are subject to becoming part of the contract binding the selected bidder to uphold the materials, representations and submissions made by the selected bidder within the proposal and at the oral presentations.
- m. **Fiduciary Status of the Consultant; Chapter 268A.** With respect to the performance of its duties and responsibilities hereunder, the Consultant/contractor/firm acknowledges that it is a fiduciary, and that the Consultant/contractor/firm will discharge its duties and responsibilities under this Agreement in accordance with the fiduciary standards of conduct and other requirements as they apply to the Consultant/contractor/firm. The Consultant/contractor/firm is advised of the existence of Massachusetts General Laws, Chapter 268A (the Massachusetts "Conflict of Interest" statute), and is required to act and perform its duties in accordance with such provisions.

V. PHASE ONE REQUIREMENTS

Compliance with all criteria listed below is **mandatory** in order for a bid to be accepted for further review. Lack of compliance with the Phase I criteria may automatically disqualify the Bidder. Phase One of Bidder's response should demonstrate compliance with each of the conditions qualifying an institution to propose as outlined below.

A. MINIMUM QUALIFICATIONS

Bidders submitting Proposals must meet the following minimum qualifications to be given further consideration in the Treasury's search for third party administration and recordkeeping services on behalf of the Plan. Failure of a Bidder to meet the minimum qualifications applicable to this RFR for third party administration and recordkeeping services may result in immediate rejection. The Bidder's response to each minimum qualification component should be "yes" or "no" followed by a detailed

statement of explanation. **Please be advised that Bidders are requested to specifically describe how the Bidder meets each of these minimum qualifications. Bidder may elaborate on its responses to this section on the “Representations and Warranties” attachment (Attachment B).**

All Services:

- a. The Bidder must be SEC-registered or exempt from registration. If the Bidder is exempt it must provide /explain the nature of the exemption. The Bidder must submit its full Form ADV; [the ADV Form should be submitted via compact disc (CD).]

Recordkeeping, Administration and Trust Services:

- b. As of September 30, 2012, the Bidder must have at least \$50 billion in total IRC 401K, 403B, and 457 plan assets, excluding the Bidder’s own plan, under administration.
- c. As of September 30, 2012, the Bidder must have provided recordkeeping, administration and trust services for IRC 401K, 403B or 457 plans, excluding the Bidder’s own plan, for at least five years.
- d. As of September 30, 2012, the Bidder must have provided recordkeeping, administration and trust services for at least one IRC 401K, 403B or 457 plan, excluding the Bidder’s own plan, in which the total number of participants exceeded 20,000.

Communication and Educational Services:

- e. As of September 30, 2012, the Bidder must have provided communication and educational services to IRC 401K, 403B and 457 plans, excluding the Bidder’s own plan, with assets totaling at least \$50 billion.
- f. As of September 30, 2012, the Bidder must have provided communication and educational services for an IRC 401K, 403B or 457 plan, excluding the Bidder’s own plan, for at least five years.
- g. As of September 30, 2012, the Bidder must have provided communication and educational services for at least one IRC 401K, 403B or 457 plan, excluding the Bidder’s own plan, in which the total number of participants exceeded 20,000.

Advice Services:

- h. The Bidder must offer investment advice to IRC 457, 401K or 403B plans.

Mutual Fund Window:

- i. The Bidder must have at least one (1) year of experience managing mutual fund window option programs. (Please state years of experience).
- j. The Bidder must be able to provide mutual fund window services without providing other brokerage services (such as stock and bond brokerage services).
- k. The Bidder must have at least three IRC 401K, 403B or 457 plans invested in mutual fund window options, as of September 30, 2012.
- l. The Bidder must provide a mutual fund window to plans with over \$500 million in total plan assets (taxable & tax exempt) as of September 30, 2012.

B. LEGAL AND OTHER REQUIREMENTS

***On the Bidder's letterhead, signed by an individual with the authority to bind the firm, please address/respond to each of the requirements listed in this section. (Where you are asked to provide documentation, please just indicate whether or not the requested document(s) has been attached).**

1. **Solvency.** Certification that the Bidder has not been in bankruptcy and/or receivership within the last three (3) calendar years.
2. **Corporate Good Standing.** If incorporated, identification of the Bidder's state of incorporation and a statement that it is in good standing in that state and has complied with all filing requirements of the state of incorporation. If the state of incorporation is not Massachusetts, please also include a statement that the company agrees to comply with all filing requirements of the Secretary of Commonwealth within thirty (30) days of contract award if selected.
3. **Licenses and Registrations.** A statement that the Bidder meets all applicable state and federal requirements, and has all the licenses and registrations necessary to perform the contract.
4. **Pending Litigation.** Details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Bidder or any of its officers, directors, employees, agents, or subcontractors of which the Bidder has knowledge or a statement that there are none. The Office of the State Treasurer and Receiver-General reserves the right to reject a response based on this information. If separate responses are required for different divisions or subsidiaries of the Bidder, the Bidder must submit a separate response for each division or subsidiary.
5. **Compliance with RFR Requirements.** A statement that the Bidder agrees to meet every specification, requirement, or condition set forth in the RFR. (This statement will not be deemed to encompass any requirement or condition for which the RFR indicates that a preference may or will be given by the Office of the State Treasurer and Receiver-General. Only a Bidder seeking the preference must meet any such requirement or condition.)
6. **Cease and Desist.** If selected for any services solicited through this RFR, the financial institution must agree to immediately notify the Office of the State Treasurer and Receiver-General of any cease and desist order issued.
7. **Confidentiality.** The Bidder must submit a statement acknowledging that all materials and information provided to the Contractor by the Office of the State Treasurer and Receiver-General or acquired by the Contractor on behalf of the Office of the State Treasurer and Receiver-General shall be regarded as confidential information in accordance with Federal and State law, and ethical standards. The contractor must take all necessary steps to safeguard the confidentiality of such materials or information. Furthermore, each party will sign a mutually agreed upon confidentiality statement.

C. MANDATORY ATTACHMENTS AND ENCLOSURES

Phase One of the Bidder's response shall include the completed mandatory attachments listed below. Any attachments referenced in this RFR as a document required to be filed can be found in Comm-PASS with this RFR. Many of the required documents referenced in this RFR are also available at the OSD website, www.mass.gov/osd, in the [OSD Forms](#) section.

These documents may be downloaded and printed for you to complete and submit. If you do not understand these instructions or you require additional assistance, please contact the OSD/Comm-PASS help desk at 1-888-627-8283. Note: The mandatory attachments referenced below are in addition to the inclusion of the RFR questions and answers and must be attached to the bidder's

response.

Please complete Attachment D (“Mandatory Attachment Checklist”) to ensure completion of each mandatory item and attach it to the cover letter. The Bidder’s response must include all completed mandatory attachments/items listed below:

1. **Cover Letter** (signed). The Response must include an original and seven (7) hard paper copies of the cover letter, which will be considered an integral part of the Proposal. The cover letter must be signed by at least one individual who is authorized to bind the firm contractually and must include:
 - The firm name
 - The firm address
 - The firm telephone/fax number/email address
 - The client contact
 - The title or position which the signer of the cover letter holds in the firm
 - A statement to the effect that the Proposal is a firm and irrevocable offer that will be valid for 120 days from the date of submission
2. **Executive Summary**. Please submit an executive summary consisting of not more than three pages that summarize the contents of the Response with the firm’s name located on the top of the page. The Executive Summary shall be attached to the cover letter.
3. **Questionnaire**. (Section VII).
4. **Cost Proposal** (signed). The original and seven (7) copies of the Cost proposal contained in **Attachment A** (the “Cost Proposal”), must be placed in a separate, sealed envelope, clearly identified on the outside as “Cost Proposal submitted by (COMPANY NAME).” **(Please see Section III.B.3 of this RFR for more specific instructions).**
5. **Representations and Warranties** (signed). The Representations and Warranties contained in **Attachment B** must be completed and signed by an authorized officer of the firm.
6. **Disclosure Statement** (signed). Attached to this RFR, as Attachment C, is a Disclosure Statement that each firm submitting a Proposal must complete and submit.
7. **Consultant Contractor Mandatory Submission Form** (completed/signed). Each Bidder must complete and return this form with its response, even if not applicable, in order to be considered responsive.
8. **Commonwealth Terms and Conditions** (signed). The Commonwealth Terms and Conditions shall be incorporated by reference into any contract for services executed pursuant to this RFR. A Bidder is required to execute the Commonwealth Terms and Conditions only once. Complete all blanks and required information fully and accurately without modification.
9. **Standard Contract Form and Instructions** (signed). This form must be executed in order to be awarded a contract. This form must be completed and returned as part of the Bidder’s RFR response. This document shall not become a final contract unless and until the Office of the State Treasurer and Receiver-General accepts the Bidder’s response and the Standard Contract Form is executed by an authorized signatory of the Office of the State Treasurer and Receiver-General.
10. **Request for Taxpayer Identification Number and Certification (W-9)** (signed). The W-9 Form must be completed and signed.
11. **Contractor Authorized Signatory Listing Form** (signed & notarized). If the Bidder is a corporation, partnership or other business entity, complete the form as indicated.

12. **Business Reference Form.** Bidders must (in addition to questionnaire responses) identify three (3) customer references for which the Bidder has performed similar services to those described in this RFR or customers that can confirm the quality of the bidder's performance on previous contract work.
13. **Tax Compliance Certification** (certificate / proof of application). The Bidder must demonstrate that it is in compliance with all Federal and Commonwealth tax laws (regardless of corporate locations) including M.G.L. Chapter 62C, Section 49A. The Bidder must submit an original or photocopy of a Certificate of Tax Compliance in Good Standing, which has been issued by the Commonwealth of Massachusetts Department of Revenue (DOR) within the past year. This Certificate may be obtained by submitting a request to:

Taxpayer Services Division, Certificate Unit
Department of Revenue
PO Box 7066
Boston, Massachusetts 02204
(617) 887-6550

The application must list the tax types for which the business is liable, including such items as meals, room occupancy, sales, use, withholding, corporate income and others as applicable. The issuance of the certificate normally takes several weeks, and as such, Bidders should indicate that their request for a certificate is sought in connection with a Commonwealth solicitation (with a deadline). If the Bidder does not submit the requested tax certificate with the proposal, the Bidder must submit documentation evidencing that the appropriate application has been filed. Evidence includes: facsimile transmittal, mailing receipt, receipt-stamped application, etc. The Certificate must be issued and provided to the Office of the State Treasurer and Receiver-General prior to the final execution of the Standard Contract Form.

14. **Treasury Supplier Diversity Program (TSDP) Plan Form** (signed). The Office of the State Treasurer and Receiver-General ("Treasury") is committed to developing and strengthening Minority and Women Business Enterprises (M/WBEs) and expanding equal opportunity in the primary and any secondary industries affected by this RFR. Consequently, the Treasury requires all responsive Bidders to submit a *Treasury Supplier Diversity Program Plan Form* ("TSDP Plan Form") with its response. Bidders that clearly demonstrate the intent to further the development of M/WBEs or the existence of a relationship which does further these goals will receive favorable consideration from the PMT. Additionally, a Bidder, which is a Massachusetts SDO certified vendor, may be found "Advantageous," based on the Bidder's Massachusetts certification status. (See "Treasury Supplier Diversity Program Instructions" Attachment for further information on the TSDP Plan Form, and how this section will be scored. This Attachment and the TSDP Plan Form can be found on the Comm-Pass Website at www.comm-pass.com under the "Forms & Terms" Tab for this solicitation).

Treasury Supplier Diversity Program Subcontracting Policies. Prior approval of the Treasury is required for any subcontracted service of the contract. The Treasury may define required deliverables including, but not limited to, documentation necessary to verify subcontractor commitments and expenditures with Minority- or Women-Owned Business Enterprises (M/WBEs) for the purpose of monitoring and enforcing any compliance of subcontracting commitments made in a bidder's *Treasury Supplier Diversity Program Plan Form* (TSDP Plan Form). Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors.

15. **Invest in Massachusetts Plan:** The Office of the State Treasurer and Receiver-General ("Treasury") encourages investment in our local economy and is committed to advancing the creation and preservation of jobs in the Commonwealth. Consequently, all responsive Bidders/Proposers must submit with their bids an *Invest in Massachusetts Data Form* ("IMD Form"). See the "Invest in Massachusetts – Instructions" Attachment for further information.

Both this Attachment and the IMD Form can be found on the Comm-Pass Website at www.comm-pass.com under the “Forms & Terms” Tab for this solicitation).

16. **Certificate of Non-Collusion.** Bidders are advised that they are required to certify that the bid that they are submitting has not been arrived at because of any collusive activity.
17. **Fidelity Bond or Certificate of Liability Insurance.** Bidders are required to provide a copy or proof of any fidelity bond or liability insurance policy extending to any or all employees who perform who perform work under the contract.
18. **ADV Form.** (In CD Form).
19. **Executive Order 504.** Effective January 1, 2009, [Executive Order 504](#) establishes new requirements designed to adopt and implement the maximum feasible measures reasonably needed to ensure the security, confidentiality and integrity of personal information, as defined in [M.G.L. c. 93H](#) and personal data, as defined in [M.G.L. c. 66A](#), maintained by state agencies (herein collectively “personal information”). This requirement only pertains to contracts that require the Contractor’s access to personal information owned or controlled by the contracting agency and systems that contain such data. The Executive Order applies to all state agencies in the Executive Department, including all executive offices, boards, commissions, agencies, departments, divisions, councils, bureaus, and offices, now existing and hereafter established.

VI. SCOPE OF SERVICES

A. SCOPE OF SERVICES

The purpose of this Request for Response is to select one or more firms to provide (1) recordkeeping, administration and trust services; (2) communication and educational services; (3) high quality, reasonably priced individual investment advice services; and (4) access to a mutual fund window to the Commonwealth of Massachusetts IRC 457 Deferred Compensation Plan and its Participants and to any Commonwealth-Sponsored Retirement Plan for Employees of Non-Profit Organizations.

The scope of services shall include, but not be limited to, the following:

1. **RECORDKEEPING, ADMINISTRATION, AND TRUST SERVICES**

- a. Create easily understood standard administrative forms (i.e., deferral, transfer, withdrawal, etc.);
- b. Enroll new Plan participants;
- c. Maintain records of deferrals, withdrawals and account balances for individual participants;
- d. Reconcile activity in depository bank accounts in which money is placed pending transfer to investment providers;
- e. Coordinate the transfer of funds and information between payment centers, bank lock boxes, investment providers and participants;
- f. Provide recordkeeping for "life-cycle" funds whereby a participant's account balance is automatically rebalanced among sub-funds as directed by the “lifecyle” funds manager (at the present time, the “lifecyle” funds manager is Alliance Bernstein);
- g. Issue payment checks and perform all required tax withholding and reporting for lump sum payment distributions and systematic withdrawals issued from unallocated investment products;
- h. Notify former or retired participants in a timely manner of the need to make distribution decisions;

- i. Issue quarterly reports to the Plan as a whole, breaking down assets and providing activity for the Plan;
- j. Issue quarterly reports to participating entities;
- k. Issue consolidated quarterly statements to each participant stating the participant's assets, the activity in the participant's account in the most recently completed quarter, including the amount of investment activity in the account for such quarter, the rates of return earned, and beneficiary last selected;
- l. Issue annual reports to the Plan and to all participants of Plan activities, including investment activity and rates of return, Plan costs and a comparison of Plan investment returns to other comparable plans;
- m. Issue monthly plan activity reports to the Treasury's Deferred Compensation Department;
- n. Review and inform the Commonwealth of changes in applicable law and current legislation actually or potentially affecting the Plan;
- o. Review and inform the Commonwealth of existing Plan limitations and administrative structures subject to improvement;
- p. Counsel the Commonwealth about legal issues relating to participant queries;
- q. Monitor individual participant transactions in accordance with the Plan's market-timing policy;
- r. Maintain employee transaction history
- s. Provide communication access via voice response system, service center, and Internet;
- t. Maintain accuracy in processing and reporting the Plan financial information;
- u. Present to the Commonwealth an annual financial audit by an independent certified public accountant to be selected by the Commonwealth;
- v. Provide trustee services consistent with those outlined in the Plan document;
- w. Transition, convert and take over all responsibilities from the current administrator;
- x. Work with the Plan's custodian to receive and post daily NAV via electronic interface;
- y. Work with the Plan's universal life provider, Monumental Life Insurance, to provide participant level service and receive and maintain certain information and records.
- z. Ability to work with the Plan to develop database necessary to support the recordkeeping services for "guaranteed income" annuity products if the Plan chooses to adopt such products in the future.
- aa. Ability to support the recordkeeping services for ROTH IRA or Deemed IRA accounts if the Plan chooses to adopt such products in the future.

2. COMMUNICATION / EDUCATION

- a. Design and implement a targeted communication/education program to provide transitional and on-going investment/retirement planning educational and distribution/retirement counseling;
- b. Publicize the Plan and interact with potential participants to enroll them in the Plan;
- c. Communicate Plan provisions including rules governing unforeseeable emergency withdrawal requests;
- d. Counsel participants from their initial election to participate in the Plan through separation-from-service and retirement decision making;
- e. Develop and print all Plan communication and marketing materials after final approval is obtained from Treasury staff. (Rights to materials will be retained by the Commonwealth.);
- f. Market the Plan to all eligible employees and to local government entities that have not yet adopted the Plan for their employees.

3. ADVICE SERVICES

- a. Providing specific advice on asset allocation and fund selection with respect to the Plan's investment options;
- b. Providing general investment and financial planning advice for participants and their families;

- c. Delivering individual investment advice through internet, telephone, and/or in-person meetings, or some combination thereof;
- d. Ensuring the credibility and objectivity of investment advice by, for example, appropriately managing any conflicts of interest;
- e. Facilitate timely and efficient administration of the Plan and consistent communications with Plan participants;
- f. Cooperating with the State Treasurer and Receiver-General and the Plan's staff to develop and implement an individual investment advice program that is responsive to the needs of the Plan's participants.

4. MUTUAL FUND WINDOW

- a. The Provider shall furnish all qualified labor and obtain the appropriate resources necessary for the administration, enrollment, investment and customer service of the mutual fund window option in conformance with federal regulations and Massachusetts General Law;
- b. The Provider shall establish an account upon receipt of the participant's completed application form, disclosure agreement and legal authorizations. The Provider shall furnish the third-party administrator with the information necessary to establish the mutual fund window on the third-party administrator's recordkeeping system.;
- c. The Provider shall coordinate the transfer of assets from the participant's core investments to the individual account with the third-party administrator;
- d. The Provider shall provide all necessary safeguards to ensure that participants cannot make deposits or withdrawals directly to or from their individual account;
- e. The Provider shall maintain a detailed accounting of all transactions and investments at the "fund level" and an aggregate account balance for each participant at the participant account level;
- f. The Provider shall provide the third-party administrator with a daily feed containing the following data for each participant: aggregate account balance, money transferred to the Provider from the third-party administrator, money transferred from the Provider to the third-party administrator;
- g. The Provider shall perform daily a reconciliation of participants' aggregate balances as reported by the mutual fund window to the third-party administrator's recordkeeping system;
- h. The Provider shall file any sales materials, as required, with the NASD and other appropriate regulatory authorities;
- i. The Provider shall develop, with the input and advice of the Commonwealth and the third-party administrator, standard procedures to address the following actions: close the participant's account upon instruction from the Commonwealth, the participant or other authorized parties; coordinate the liquidation of all investments and transfer balance back to the participant's core plan investments; coordinate the necessary liquidations for participants who are receiving plan distributions;
- j. The Provider shall cooperate with the third-party administrator as it relates to the administration and communication of the Commonwealth's Plan;
- k. The Provider shall provide and mail to participants the following statements and communication:
 - Copies of prospectuses and any other information participants are required to receive in connection with their transactions including but not limited to an enrollment kit;
 - Required security disclosure information relating to the investment options and securities held in the participant's account;
 - Written confirmation that an account has been established in the participant's name, including the account number and other pertinent information;
 - Written confirmation of each transaction;
 - Instructions on how to complete transactions;

- Detailed statements of all transactions and holdings as of close of the reporting period and the current market value of the participant's position in the account;
- Provide the Commonwealth monthly reports including but not limited to, the number of participants in the mutual fund window, the number of transactions, and the category of assets invested.

Commonwealth-Sponsored Retirement Plan for Employees of Non-Profit Organizations

THE BIDDER THAT IS AWARDED THE CONTRACT(S) UNDER THIS RFR AND WHO CONTRACTS WITH THE COMMONWEALTH'S DEFERRED COMPENSATION PLAN SHALL, AT THE ELECTIO OF THE TREASURY, PROVIDE THE SAME OR SIMILAR SERVICES CONTEMPLATED BY THIS RFR, UNDER THE SAME OR SIMILAR TERMS TO THE COMMONWEALTH SPONSORED RETIREMENT PLAN ESTABLISHED FOR EMPLOYEES OF NON-PROFIT ORGANIZATIONS AT THE FEE PROPOSED IN ATTACHMENT A OR AS MAY BE FURTHER NEGOTIATED BETWEEN THE PARTIES, AND SUBJECT TO A PROPER AGREEMENT EXECUTED BY BOTH PARTIES.

SECTION VII. Phase II Questionnaire (All Bidders MUST Respond to this Section)

**COMMONWEALTH OF MASSACHUSETTS
IRC 457 DEFERRED COMPENSATION PLAN
& Commonwealth Sponsored Non-Profit Plan
THIRD-PARTY ADMINISTRATION & REDCORDKEEPING SERVICES**

BASIC INFORMATION

FIRM NAME: _____

ADDRESS: _____

TELEPHONE #: _____

FACSIMILE #: _____

E-MAIL ADDRESS: _____

CLIENT CONTACT: _____

SIGNATURE: _____

NAME (PRINT): _____

TITLE: _____

DATE: _____

A. Stability and General Experience of the Firm

1. Indicate your firm's fiduciary classification:
 - a. Bank
 - b. Insurance Company
 - c. Registered Investment Advisor
 - d. Affiliate of Fiduciary
 - e. Other: _____
2. Give a brief history of the firm including:
 - a. the month and year of SEC 1940 Act registration; and
 - b. the month and year the firm began providing the subject services to clients.
3. Describe the ownership of the firm, including but not limited to:
 - a. ownership structure including the percentage owned by current active employees and the number of employees participating in such ownership;
 - b. parent, subsidiary, or affiliated companies, or joint ventures;
 - c. if a subsidiary or affiliate, designate the percentage of parent firm's total revenue generated by your organization;
 - d. if the firm is a joint venture partner, identify the percentage of ownership and revenues recognized by each partner to the combined association;
 - e. how the firm is capitalized;
 - f. percent of total revenue derived from providing the subject services; and
 - g. percent of total revenue derived from other businesses.
4. Provide an organizational chart diagramming the relationships between the professional staff as well as the parent-subsidiary, affiliate, joint venture entities, or sub-advisory relationships.
5. Provide the location and functions of each of your firm's offices in the following format:

<u>Location</u>	<u>Function</u>	<u>Number of Professionals</u>

Please list the 5 largest defined contribution 401K, 457, and 403B plans for which you currently provide recordkeeping, administration, employee communications services, and trust services in the following format:

401K Plans

Client Name	Total Assets	Number of Participants

457 Plans

Client Name	Total Assets	Number of Participants

403B Plans

Client Name	Total Assets	Number of Participants

6. Describe the levels (U.S. dollar amounts) of coverage for SEC-required (17g-1) fidelity bonds, errors and omissions coverage and any other fiduciary coverage which your firm carries. List the insurance carriers supplying the coverage.
7. Discuss the overall business objectives of your firm with respect to future growth. Comment on any present or planned areas of emphasis expected in the near future.
8. Provide a detailed summary of your firm's compliance regime. Identify senior or key personnel in the firm's compliance process. Does your firm maintain a code of ethics? If so, please attach.
9. During the past five years, has the firm been subject to any governmental regulatory or law enforcement agency's investigation, examination, or other proceeding directly involving the firm, its owners, or employees other than such examinations or other proceedings as are routinely conducted in the ordinary course of the firm's business?
10. During the past five years, has the firm been subject to any litigation alleging fraud, breach of fiduciary duty, or other willful misconduct?
11. Provide a detailed summary of your firm's internal control structure. Does the firm conduct periodic risk assessment? Provide a copy of SOC Level I if available, or other internal control review documentation, preferably prepared by an independent third party.
12. Does your SOC Level I test down to the participant level to confirm accuracy of participant accounts? How do you test the accuracy of participant level performance returns to ensure they match fund level returns?
13. Is your organization duly licensed to do business in Massachusetts? If not, please append an opinion of counsel giving their opinion as to whether they anticipate any difficulties in obtaining all necessary Massachusetts licenses for your company.
14. Provide copies of the firm's most recent audited financial statements and the auditor's management letter.
15. Describe in detail any potential conflicts of interest your firm may have in providing services to the Commonwealth. Include any activities of affiliated or parent organizations, brokerage activities, investment banking activities, or any past or current relationships with the Commonwealth and staff. Include any other pertinent activities, actions, or relationships not specifically outlined in this question.
16. Disclose any business relationship with EnnisKnupp & Associates, Fidelity Investments, State Street Global Advisors, Wellington Management, Eaton Vance, T. Rowe Price, Vanguard, INVESCO, PIMCO, BlackRock, Income Research & Management, Wells Capital,

AllianceBernstein, MFS Investment management, Harding Loevner, Monumental Life Insurance, or Mellon Bank.

17. Describe all outside marketing/sales services (including product design and development) for which your firm has contracted over the last three years for the marketing of your services to the institutional, deferred compensation market.
18. Describe in detail the material developments in your organization (changes in ownership, personnel, business, etc.) over the past three years.
19. Describe any plans and arrangements in place for an alternative worksite should your facilities become inoperative because of fire, earthquake, etc.
20. Describe your firm's overall business strengths, weaknesses and competitive advantages.
21. Describe how your firm measures plan sponsor and participant satisfaction.

B. Quality, Stability, Depth and Experience of Personnel

1. Please describe your standard service model and how you propose to structure the client service team for the Commonwealth. Are you proposing to commit dedicated resources to this account? If so, describe the number of personnel, physical location and their intended roles.
2. Please complete the following table:

Function	Total Number of Employees at End of Year		Number of Employees who Terminated in:		Average Defined Contribution Experience	Average Tenure with Your Firm	Average Case Load for an Employee (# of plans)
	12/31/12	12/31/11	2012	2011			
Account Managers							
Defined contribution accounting specialists							
Call center representatives							
Compliance managers							
Communication specialists							
Conversion specialists							
Technical specialists							
Defined contribution plan attorneys							
Other (please specify)							
Total number of staff dedicated to servicing qualified plans							

3. Identify the project team that would service the Commonwealth. Please complete the following chart and include brief biographies:

Name	Function	Primary or Backup	Number of Clients Serviced	Total Years DC Experience	Total Years With Your Firm	Years in Present Position	Name of Each Client Currently Assigned to this Person

4. Describe the comprehensive service plan you would develop for the Commonwealth. How frequently would you meet with the Commonwealth to review overall plan status, assess success rates and ensure quality level of service?
5. Describe your internal customer service quality program and provide specific examples of how this program has benefited your clients.
6. Which of your firm's offices would service this account? Which office would specifically provide what services?
7. Describe how you would provide service to the Commonwealth? Is there a person assigned with the primary responsibility for the relationship?
8. Who will be the Commonwealth's client service officer? How often could the person be available for client meetings?
9. How do you measure and monitor service and client satisfaction?
10. Will you provide personnel to assist in the initial introduction and subsequent marketing of the Plan to participants?
11. Will you provide performance guarantees for the following items:
 - Telephone response times; and
 - On-line availability.

C. Recordkeeping, Administration and Trust Services

1. Summarize your 401K, 403B and 457 plan recordkeeping clients as of September 30, 2012 in the tables below:

Plan Type	Total Number of Plans	Total Number of Participants	Total Asset Value	Average Plan Asset Value*
401K				
457				
403B				
Total				

* Total asset value / Total number of Plans

Number of Participants	Total Number of 401K Plans with Daily Valuation	Total Number of 457 Plans with Daily Valuation	Total Number of 403B Plans with Daily Valuation
<5,000			
5,000-20,000			
>20,000			

2. Please list the 5 largest defined contribution 401K, 457, and 403B plans for which you currently provide recordkeeping, administration, employee communications services, and trust services in the following format:

401K Plans

Client Name	Total Assets	Number of Participants

457 Plans

Client Name	Total Assets	Number of Participants

403B Plans

Client Name	Total Assets	Number of Participants

3. Does your firm have a target defined contribution market? If so, describe the factors that are representative of the market your firm is targeting.

4. Describe your recordkeeping process, with particular reference to your ability to receive, disburse and control funds and ensure timeliness, accuracy and confidentiality of records. Specifically address the following items:
 - i. Unit vs. share accounting
 - ii. Allocation of unallocated investment products to participant accounts
 - iii. Eligibility solicitation/determination
 - iv. Enrollments
 - v. Contributions
 - vi. Fund transfers
 - vii. Investment election and contribution rate changes
 - viii. Withdrawals
 - ix. Domestic relation orders
 - x. Rollovers
 - xi. Final distributions
 - xii. Beneficiaries
 - xiii. Calculating and monitoring the maximum permissible contributions per participant
 - xiv. Minimum distributions
 - xv. Electronic interfaces (disk, tape, electronic)

5. Describe how your system can accommodate all of the Commonwealth's recordkeeping and administrative features?

For example, some features specific to the Commonwealth include:

 - 600+ separate payroll sources.
 - Multiple payroll cycles.
 - 185,000+ non-voluntary plan participants.
 - Marketing, education and enrollment historically administered through local payroll and human resource offices and via third party administrator's statewide licensed field representative team.

6. Also identify features in which you would have a competitive advantage. Clearly detail any features that cannot be accommodated. What other features do you intend to add within the next 12 months that would enhance your ability to provide recordkeeping and administrative services to the Commonwealth? Do you have the ability to accommodate a Roth IRA or Deemed IRA?

7. Describe any on-line information or reporting capabilities you make available for Commonwealth's use. Can you provide reports to the Commonwealth via E-mail or another electronic form as well as hard copy?

8. Provide samples of client reports and indicate their frequency. Include a description of the participant metrics tracked by your firm.

9. Describe how historical plan information (prior record keeper) is maintained for participants.

10. Was your recordkeeping and administration system developed in-house or purchased? Describe the development/purchase history. Describe the in-house support staff you maintain for the recordkeeping system.

11. How long has the software been in place? How often is it upgraded? Describe any anticipated systems conversions or other major system changes over the next several years. If there are changes, describe the change and provide the anticipated schedule.

12. How much have you spent in each of the past three calendar years in maintaining/upgrading your systems? Explain.

13. Is there a limit to the type and number of each of the following that can be maintained/administered on your system?
 - i. Investment fund choices (specifically address any limits on those funds not offered by your firm);
 - ii. Contribution sources;
 - iii. Plans;
 - iv. Status indicators.
14. Describe in detail your procedures and safeguards used to guarantee:
 - i. Security for your hardware and facility;
 - ii. Authorized access to data;
 - iii. Confidentiality of data;
 - iv. Security for any hard copy of plan related data or documents; and
 - v. Are payroll files stored at an off-site location?
15. What is the back up and disaster recovery plans? How are they tested? What were the results of the last test? How often are these systems tested?
16. The Commonwealth's 457 Plan receives payroll data from over 600 payroll sources, ranging from automated to manual and with various payroll cycles. Describe how your system can accommodate these payroll sources and any potential limitations in handling a system of this size and complexity. Describe how you will coordinate between the individual units (cities, towns, authorities, etc.), trustee, and investment groups, including preparation of payroll instructions for multiple payroll locations. Also describe how your firm will handle this volume of payroll reconciliation activity.
17. Describe your proposed recordkeeping system for interacting with manual payroll systems. Do you anticipate greater delays in reconciling individual records and depositing deferrals from manual payroll systems than from automated payroll systems? Why?
18. Describe your process for dealing with significant quantities of payroll errors and omissions. Describe your firm's liability assumption for errors.
19. Describe the edit checks you complete on incoming data feeds. How do you propose to work with the Commonwealth in resolving data discrepancies discovered in editing the data? What is the resolution process?
20. Upon receipt of plan contributions, how quickly would money be allocated to and invested in the investment funds? Provide a timeline of contribution processing and the requirements of the Commonwealth. Provide the same information for participant elections for transfers of funds between available investment options.
21. Describe the process used to retroactively adjust participant's accounts and negative contributions. Also describe your processes for monitoring contribution deferral maximums and whether or not you will manage the suspension status for hardship payouts.
22. The Commonwealth has a large number of non-voluntary (OBRA) participants. Describe your ability to monitor special provisions that apply only to certain groups of employees such as this. Provide specific examples if such services have been provided in the past.
23. The Commonwealth has a large number of inactive accounts. Describe how/if inactive accounts are treated differently from active accounts and how you propose assisting the Commonwealth in locating/dispersing funds for these participants.

24. Describe your daily valuation capabilities and your process for reconciling trust assets to participant's records. How do you ensure that the plan is in balance on a daily basis? How do you treat separate accounts (*i.e.*, can you accommodate daily pricing, etc.)?
25. How do you interact with outside investment managers and/or custodians to allow for daily processing of activity? Do you have an electronic interface established with Mellon Bank or other custodians? Describe any investment vehicles or assets classes for which you cannot provide daily valuation/processing. Provide a sample valuation schedule.
26. Describe your firm's ability to transition, convert investment manager portfolios from one investment manager to another in the event of a change in investment management services.
27. Describe how trades are executed (*i.e.*, after market close each evening or are trades pending until settled).
28. Describe your ability to handle the Commonwealth's lifecycle funds. Describe if and how your systems are able to accommodate transfers.
29. Describe your process for administering the transfer of funds from one investment option to another, including the time frames and frequencies your systems can handle. Distinguish, if appropriate, among fund transfers within a provider of multiple funds and those of different fund providers, daily vs. monthly valued funds, and separate accounts vs. mutual funds.
30. Describe your procedures for processing the termination or retirement of an employee and the retirement/payout counseling services that your service representatives would be able to provide.
31. Describe your process for establishing and processing distributions/disbursements (Include all related elements including participant, employer and Commonwealth communication materials, trustee and investment management direction, investment fund impact, check preparation, IRS Form W-2 preparation, and timing). What kind of payment methods do you have (*i.e.*, checks, wire transfers, direct electronic deposit)?
32. Describe your process for managing emergency withdrawals. How do you propose to interact with the Commonwealth to ensure that the Commonwealth retains the authority over hardship appeals?
33. Describe your process for monitoring minimum age distribution requirements.
34. Describe your system's ability to accommodate all applicable preparation and filing of federal and state tax filings and withholdings relating to the Commonwealth's 457 Plan (or any State sponsored 401K Plan for Employees of Non-Profit Organizations).
35. Describe your system's ability to accommodate all applicable preparation and filing of form 5500 for all participating entities in any State sponsored 401K Plan for Employees of Non-Profit Organizations
36. Describe your process for managing domestic relations orders. What assistance do you expect from the employer?
37. Describe your process for determining participant eligibility, distributing enrollment information and performing enrollment counseling? What role would you play in tracking eligibility and what role would you expect employers to play?
38. What controls are in place to ensure the Plan is administered according to the Plan provisions and ERISA guidelines?

39. Describe the purpose and frequency of administrative/managerial reports that are generated by your recordkeeping system? List the reports you produce on the employer and participant level.
40. How do you monitor changes in the law (specifically, to the Internal Revenue Code) related to 457 and 401K plans and incorporate these changes into your systems.
41. What financial reports are prepared as part of the valuation process to the Commonwealth? Describe the purpose and frequency of each report.
42. Describe your ad hoc reporting capabilities for plan sponsors. Can your recordkeeping administrators design and prepare ad hoc reports or must programming staff be involved to develop customized reports? What percentage of your clients request customized reports?
43. Describe whether participant statements are standard or can be customized. Provide samples of such statements. Describe whether or not additional communication material can be included with the statements.
44. Describe the timeframe in which participants can expect to receive their statements. How do you ensure the quality and accuracy of participant statements? Describe the process used to correct participant statements if problems arise.
45. Are there any other reports produced for participants? If yes, please describe and include as an attachment.
46. Can you provide on-line access to your system for the Treasury's staff? If so, describe the systems and the information available via the on-line system, the required equipment, the number of clients that currently use the system and the security features.
47. Is there an Administrative Manual for employers to use in the on-going administration of the plan? If yes, include a sample as an attachment to the proposal.
48. What efforts do you require or expect from employers in support of your recordkeeping and administration services?
49. Describe whether or not you will provide a year-end report card to the Commonwealth regarding the services provided throughout the year. If yes, provide a sample.
50. What differentiates your recordkeeping and administrative services from those of your competitors? Please be specific.
51. With your full service recordkeeping and CSR, what administrative activities must the Commonwealth still provide?
52. Indicate below (by placing an X in the appropriate box) which services are available through each communication medium. Only transactions that can be completely processed through that medium should be classified as available. For example, if a participant can request forms by voice response system but cannot actually enroll by VRS, this does not qualify as an available VRS transaction.

Service	Operator Assisted	Voice Response	On-line	Internet	Describe process if not available via phone
Custom greeting					
Enrollment					

Plan information (i.e. contribution, transfer, withdrawal rules)					
Fund performance					
Account balance:					
By fund:					
By Source:					
Investment transfers of existing balances:					
Rearrange balances					
By percent					
By dollar amount					
Change of beneficiaries					
Changes in payroll deferral amount					
Suspend contributions					
Change investment mix for future contributions					
Hardship withdrawals:					
Request form application					
Paperless					
De minimis (<\$1,000 for inactive accounts) in service withdrawals:					
Request form					
Paperless					
Final distributions:					
Confirm amount available					
Request form					
Paperless					
Statement on demand					
Address changes					

Voice Response System (VRS):

53. Describe your VRS, including a description of the year it was introduced, the inquiry and transactional processes it supports, and how the VRS interfaces with the recordkeeping system and the frequency of the interface.
54. What are the hours of availability for the VRS? How often and for how long has the VRS been down in the last year?
55. Can the script be customized on the VRS, initially and in the future? Explain.
56. How does the VRS accommodate rotary phone callers?
57. Do CSRs have on-line access to the recordkeeping system and VRS? Describe the system that provides information about the participant to the account representative.

Internet:

58. The selected bidder must have internet access for participants. Provide a description of your system and the inquiry and transactional processes supported through your Internet site.

59. Describe the procedures to customize the site for the Commonwealth's participants. If this service is available, is there an extra service charge?
60. Describe the capability of your organization to accommodate e-mail communications from participants and the Commonwealth. What types of communications can be routinely handled by e-mail?

General:

61. Describe how your scripts and CSRs accommodate non-English speaking participants and hearing impaired participants.
62. Describe the procedures used to confirm participant selected changes? What is the time-frame for the confirmation?
63. On average, how long does it take you to respond to participant requests (hours, days, etc.)? What procedures do you have in place to monitor the timeliness and quality of the response?
64. Describe your standards for performance in participant service by completing the below chart (assume all data, wires or other requests are received in reasonably good condition and before the cutoff time and that any required employer approvals have been received).

Activity	Quality Standard (Business Days)	Explanation
Contribution reconciliation and posting	_____ days from receipt of payroll data	
Withdrawals paid	_____ days from receipt of request	
Distributions paid	____ days from receipt of request	
Investment fund transfers processed	____ days from receipt of request	
Confirmations mailed	____ days from execution of transaction	
Participant statements mailed	____ days from period end	
Participant service calls answered	In ____ seconds or within ____ rings	

65. How do you ensure the security of participant data via CSRs, the VRS or the Internet? Describe your Personal Identification Number (PIN) generation capabilities for new participants and on-going PIN administration capabilities.
66. Describe if and how the voice response system, Internet site and CSR systems are fully integrated into your recordkeeping system. Describe the frequency of the system updates.
67. Do you track VRS, CSRs, and Internet utilization statistics? How do you use this information to improve client service?
68. Provide the following statistics for your participant toll-free service line for the year ending December 31, 2012:

Activity	2012
Number of calls received	
Average response time	
Call abort rate	
Average length of calls	
Percentage of calls requiring operator call back	
Percentage of calls elevated from VRS to operator assistance	

Average wait time before a call is answered	
Current number of telephone reps on line during business hours	
Number of additional phone reps you would need to hire (if any) if retained for this account	

69. Describe what differentiates your systems from those of your competitors.
70. Describe how the Commonwealth's staff would have to be involved in any of the processes listed in this section.

COMPLIANCE

71. Provide a detailed summary of your firm's compliance methodology accompanied by an organizational chart. Who is the designated compliance officer? Does he/she have other responsibilities besides compliance? To whom does the compliance officer report? Identify senior or key personnel in the firm's compliance process, providing a brief synopsis including years of experience in the field and year's at the Bidder firm.
72. Describe your process for completing maximum contribution compliance testing. If compliance tests are not performed, what is your ability to provide data to an outside consultant for testing?
73. Describe your procedures and how you maintain data for the purpose of assisting employees in calculating catch-up contribution amounts and enrolling/deleting participants from the catch-up. **(Please provide a sample copy of your 3-year catch-up election form. Your inclusion of a copy of this form will not count against your page limit.)**
74. Describe whether or not you have a legal staff to assist with issues regarding plan documents, interpretations of laws and regulations, or other administrative items. If you do have a legal staff, describe the number and specialties of the attorneys and paralegals, and their qualifications.
75. Describe any additional consulting or compliance services that you provide.

TRUSTEE SERVICES

76. Will your firm serve as master trustee/custodian for the Commonwealth's Plan? Describe the trustee services you will provide to the plan. If your firm will not serve as master trustee/custodian, state the name of the organization you will contract with for these services. Provide a copy of the organization's annual report.

CONVERSION / IMPLEMENTATION

77. Please provide a time line for transitions of services. Provide a work-plan and flowchart of activities, responsibilities and timeframes for such a conversion. Include any required conversion testing procedures and detail how your proposal will reduce to a minimum the impact on current participants. Include details on the conversion team. State what problems, if any, you foresee in adhering to this schedule.
78. Describe your process for interacting and communicating with Plan participants during the conversion process. Include details regarding the communication media, frequency, timeframes, etc.
79. Describe any blackout periods that may occur during conversion. Include the blackout periods in the transition schedule requested in the prior question.
80. Describe how participant transactions (*i.e.*, final distributions, hardship withdrawals, investments of new contributions, etc.) are handled during a conversion.

81. Describe your procedure for mapping investment funds.
82. What flexibility does your firm and do your systems have if initially payroll providers cannot program to your format?
83. Describe your experience in managing a plan conversion from one plan administrator to another. Specifically, provide a detailed description and history (3 minimum) of similar 457 plan conversions performed by your firm within the last two years.
84. Describe the roles and responsibilities of the transition team. Is the same team responsible for on-going processing? If not, describe how the team will change and how the transition of the account will be handled. Include biographies of the personnel involved.
85. Describe any major delays or difficulties you expect to encounter in transitioning from one administrator to another. How can the Commonwealth be assured that participant and employer disruptions are minimized?
86. Describe your quality assurance procedures. How is consistency with prior administrative procedures verified?
87. What involvement will be required of the Commonwealth during the transition? Can you provide resources to assist the Plan in the transition?
88. Are transition manuals provided? If so, attach an example.
89. Provide references for three defined contribution plans (of similar characteristics to the Commonwealth) transferred to your systems within the past two years. (Include the contact name, company, telephone number, number of plan participants, total plan assets and out-going recordkeeper).

INTERNAL CONTROLS

90. Provide a brief overview of the internal control environment of your organization.
91. What controls are in place to ensure the Plan is administered according to the Plan provisions?
92. Describe management's philosophy and operating style with regard to the organization's internal control environment. How is the importance of internal controls communicated and demonstrated to staff and clients?
93. Describe the process your organization uses to evaluate the effectiveness of internal controls and the on-going monitoring of the internal controls. Specifically, how does your organization assure that services are provided in accordance with proper standards of care, regulatory requirements and the executed service agreements?
94. Does your organization employ an internal audit department? If so, to whom does this department report?
95. Provide copies of audit opinions and internal control recommendations (management letters) issued by your independent and/or internal auditors specifically related to Recordkeeping and Administrative Services within the last three years.
96. Does the firm conduct periodic risk assessment?

D. Communication and Educational Services

1. Given the characteristics of the Commonwealth's Plan, describe the approach your firm would take in working with the Commonwealth, and the education services you would provide to ensure effective communication with participants. Describe the communication/education strategy that you would recommend for the transition, implementation and on-going stages. Include a timeline and specific details about the responsibilities and deliverables at each milestone. Also include a discussion about what the goals would be and the methods used to measure success.
2. Describe the staff involved with communication/education and ability your firm has to design a customized communication program for the Commonwealth's Plan. Identify the staff that would service this account. Please complete the following table and include brief bios on each staff member:

Name	Function	Primary or Backup	Number of Clients Serviced	Total Years DC Experience	Total Years With Your Firm	Years in Present Position	Name of Each Client Currently Assigned to this Person

3. How is this staff compensated (*i.e.*, commission, salary, contract, etc.)? If there is an incentive plan, please describe in detail. Specifically indicate if any of the company representatives that would conduct the education and/or enrollment meetings receive increased compensation (such as commissions, bonuses or other incentives) if participants select certain investment options over other investment options.
4. Have you developed a marketing/communication plan(s) for your other clients? If so, please list and attach three examples.
5. What provisions do you have for communicating with employees located in multiple locations and with various demographic backgrounds? What specific experience do you have in providing communication/educational material to plans of similar size to the Commonwealth's? How will you control the consistency and quality of the message to different groups?
6. How would you propose to increase the Commonwealth's participation rate? Be specific, including an overview of a "marketing" campaign for the Commonwealth's Plan.

7. Indicate in the following table which communication/education materials and services you provide in your base fee. (Please be advised that the Treasury expects that these forms will be customized to the Commonwealth's Plan). Include samples of the below as an attachment(s).

Item	(Yes or No)	Comments
Enrollment forms		
Plan highlights		
Fund descriptions		
Announcement letters		
Videos		
Slide presentations		
Retirement calculator		
Modeling software		
Fund prospectuses		
Performance updates		
Newsletter		
Informational articles		
Posters		
Payroll stuffers		
VRS menu map		
Investment basics brochures		
One-on-one counseling mtgs		
Participant education meetings		
Quarterly mgt mtgs		
Internet applications		
Other:		

8. Describe your ability to communicate with participants who are hearing impaired or non-English speaking.
9. Describe any constraints or limitations on customization of employee statements. Do you provide legal review to ensure that disseminated forms comply with the plan document and any applicable state and/or federal laws?
10. How would you train the Commonwealth and local entities to administer the plan on their end? Provide samples of materials, including training and resource manuals. Indicate any software you would provide or license to the Commonwealth. Describe its capabilities as well as hardware required.
11. Does your organization provide any services (*i.e.*, personal questionnaires, software, certified financial planners, etc.) that would help individual participants with comprehensive financial planning? If so, describe the services.. Distinguish between those services that provide education vs. those that provide advice.
12. Are your materials developed internally or by a subcontracting vendor? Provide information identifying the subcontractors and the services they provide.
13. What unique educational or other client service capabilities can you offer a plan sponsor?
14. What other communication is provided to plan sponsors (include description and/or samples of newsletters, seminars, research, etc)? What distinguishes your firm's services to plan sponsors? Please be specific.

15. Provide samples of client reports and indicate their frequency.
16. Describe any on-line information or reporting capabilities you make available for client use. Can you provide client reports via E-mail or another electronic form as well as hard copy?
17. What other communication is provided to clients (include description and/or samples of newsletters, seminars, research, etc.)? What distinguishes your firm's client services? Please be specific.
18. How do you measure and monitor service and client satisfaction?
19. What unique educational or other client service capabilities can you offer a client?
20. Will you provide personnel to assist in the initial introduction and subsequent marketing of the option to participants?
21. Will you provide performance guarantees for the following items?
 - i. Telephone response times;
 - ii. On-line availability; and
 - iii. Statement timeliness.
22. Describe the inquiry and transactional processes supported by your customer service representatives.
23. What are the hours of availability for CSRs? What is the cutoff time for same day processing of requests?
24. Describe specifically how CSR absenteeism/shortages would be compensated for on this account.
25. Outline the customer service team structure that would be assigned to this account. Include information on the experience of CSRs in general and those that would be assigned (if any) to this account.
26. Describe whether a pooled CSR approach would be followed or if CSRs would be assigned to this account. Is the customer service team based in Massachusetts?
27. Describe specifically how spikes in call activity would be accommodated on this account.
28. Do your CSRs answer participant questions on investment alternatives and provide participants an analysis of the consequences for making deferrals and projected accumulation values? Describe.
29. How do you measure the quality of service and monitor the performance of CSRs? Describe any metrics used (*i.e.*, average number of rings, hold time, percent of calls abandoned, percent of calls answered on the first ring, etc.).
30. Describe the initial training and continuing education programs in place for the CSRs.
31. Describe the process if a CSR cannot answer a participant's question. What are your case management procedures?
32. Describe the incentive and compensation structure for CSRs and programs in place to minimize turnover of personnel. What is the average annual turnover rate in CSRs?

E. Advice Services

Advice Services Assets Under Advisement

- Investment Advice Product Name:
- Complete the following information (as of September 30, 2012):

Plan type	Number of plans	Total participants in all plans	Number of participants using the option	Assets of largest plan	Total participants of largest plan	Number of participants in the largest plan using the option
401(k)						
457						
403(b)						
401(a)						

- Please list the 5 largest defined contribution/deferred compensation plans for whom your firm provides investment advice.

Name	Date of Inception	Sept 30, 2012 Mkt Value	# of Participants

- List the number of clients and amount of assets gained and lost in the product.

	Gained		Lost	
	# Clients	Assets	# Clients	Assets
Through 09/30/2012				
2011				
2010				
2009				

- List 3 current defined contribution/deferred compensation plan clients who can be contacted as references. References with similar characteristics to the Commonwealth would be preferred. Include the following information:

Firm Name/Contact/Phone #	Account Size	Inception Date

- List 3 defined contribution plan/deferred compensation clients who have terminated your advice services (if applicable) over the past three years that can be contacted as references.

Firm Name/Contact/Phone #	Account Size	Inception Date

Advice Services - Communication/Service Delivery Model

7. Describe the firm's overall business plan for offering and providing individual investment advice.
8. Describe the firm's plan, process and procedures for enrolling participants in the advice program. Include samples of communication campaigns and marketing pieces you would use.
9. Describe the firm's capabilities for providing advice to individual participants:
 - via the internet;
 - via telephone;
 - via "in person" meetings with Certified Financial Planners ("CFPs");
 - via other means; and
 - via appropriate combinations of the above.
10. Describe the firm's plans for initial staffing of an investment advice program for the Plan, with reference to each of the service delivery models outlined above (in Section VII.D.2.c).
11. How does the firm expect staffing to change as participation enrollment in the advice program increases?
12. Describe how you (concerning the advice services) would interact with the recordkeeping system.
13. Detail the minimum technological requirements needed to access your product online (if applicable).
14. What educational information is available to participants? Describe the media by which the information is delivered. How often does the educational content change? Describe the process for updating the educational materials.
15. Does your firm comment on current events as it relates to particular funds or to current market activity?
16. Describe any on-going communication to the participant. What triggers this communication? What media are used for this communication?
17. Describe the customer service support that your firm provides with live operators via a toll free number. Include the hours of operation, the number of available representatives, the qualifications of representative and any training operators receive.

Advice Services – People/Organization

18. Describe how your investment advice division is organized.
19. Provide a list of the professionals who would be involved with the Commonwealth's account in the format below:

CLIENT SERVICE

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	School/Sponsoring Body

SENIOR MANAGEMENT/RESEARCHERS

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

TELEPHONE PERSONNEL

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

“IN-PERSON” CFP’s

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

- 20.** Discuss the causes and impact of any turnover (departures or hiring/promotions) of any professionals directly involved in the product that you have experienced in the past three years. Indicate when and why any professional dedicated to the product left or joined the firm in the past three years. What were/are their job responsibilities? For personnel who have left, indicate job titles and years with the firm and who replaced them.

JOINED

Date	Name/Title	Responsibilities

DEPARTED

Date	Name/Title	Responsibilities	Yrs @ Firm	Reason for leaving	Replaced by (name/title)

- 21.** Describe your internal training procedures for client service, telephone, and CFP (certified financial planner) personnel. Describe any licensing requirements of your personnel.
- 22.** Discuss your organization’s compensation and incentive program. How are professionals evaluated and rewarded? What incentives are provided to attract and retain superior individuals? If equity ownership is possible, on what basis is it determined and distributed?

23. Describe the job qualifications, licensing requirements and educational backgrounds required by your firm when hiring: client service, telephone and CFP personnel, and system professionals.
24. What personnel or organizational improvements are planned over the next year?
25. Describe your firm's backup procedures in the event the key professionals assigned to this account should leave the firm.

Individual Investment Advice Product:

26. Provide a description of the financial planning/investment advice product offered by your firm. Include a description of:
 - i. The inputs required of participants;
 - ii. The methodology for supplying specific investment recommendations to participants (*i.e.*, quantitative and/or qualitative models, etc.);
 - iii. How "worst case" scenarios are modeled;
 - iv. The outputs generated by your service;
 - v.
 - vi. How you assess an individual's risk tolerance and financial objectives;
 - vii. How the program is updated by a user and/or data providers;
 - viii. How your program allows participants to "model" and try out different scenarios;
 - ix. How the program identifies possible investment options for participants;
 - x. How the program evaluates those investment options; and
 - xi. How the program determines which investment options to recommend to participants
27. What economic or financial factors should trigger a change to a participant's investment plan? How often should a participant revisit the recommendation made by your firm? How frequently should participant advice change based on the market environment? What has been your experience regarding the effect of the recent equity market downturn on the investment advice your firm provides?
28. Provide your firm's views on active versus passive investment management and how this affects the advice you provide to participants. Describe how you incorporate the investment fund fees into the analysis. Also describe how you incorporate the options in the mutual fund window and the stable value option into the analysis.
29. Discuss your firm's views on over-or equal-weighting equity styles and market capitalization segments and how this affects the advice you provide to participants.
30. Discuss your firm's views on asset allocation rebalancing and how this affects the advice you provide to participants.
31. Describe your product's methodology for considering participant assets (taxable and tax exempt) held outside of the plan such as IRAs, real estate, defined benefit plan benefits, spouse's investments, etc. Describe how your product incorporates these assets into the investment advice relating to the participant's 457 plan assets. Specifically, comment on how your product adjusts investment recommendations to account for risk levels of outside assets (and how this risk level is assigned to outside assets).
32. Describe whether or not your firm can accommodate all of the Commonwealth's investment options in your advice program. Identify any investment vehicles or products your product cannot accommodate. (*See Appendix B*). Describe the process by which you collect data on all of the

- funds. What is the source of information on those funds? Describe the quality control processes you have in place.
33. Describe how your firm conducts research on investment managers and explain how this research impacts your recommendations.
 34. Describe the quality control procedures your firm has in place regarding the individual investment advice provided to participants and how much of your staff is dedicated to this effort.
 35. Describe the firm's resources and capabilities for providing general investment and financial planning advice such as 529 plan investments, estate plans, etc.
 36. Provide statistics with respect to utilization of your investment advice services. In particular, discuss:
 - xii. Average session time;
 - xiii. Average number of visits per quarter;
 - xiv. How different levels of participant account balances affect participant usage; and
 - xv. Any other statistics that your firm collects that may be of interest to the Commonwealth.
 37. Describe your firm's technological infrastructure including the type of equipment you utilize. Where are your servers located? Describe your back-up facilities and emergency plans.
 38. Describe the operating systems and browsers supported by your service.
 39. Describe the security measures in place to ensure confidentiality of participant information. Describe whether or not sites are password protected. Describe the process for choosing, changing or retrieving a password.
 40. What is the maximum capacity of your current infrastructure? How much of this capacity is currently utilized? Describe your firm's plans for supporting expected increases in the client base and demand.
 41. Describe any planned improvements or enhancements to your investment advice service.
 42. Discuss the factors that differentiate your firm from your competitors for this assignment.

Advice and Fiduciary Issues:

43. As a government plan, the Plan is not directly subject to ERISA. However, Massachusetts' fiduciary standards are substantially similar to those of ERISA, and the Commonwealth looks to the standards and practices developed under ERISA in administering the Plan. With this as background:
44. What is your firm's position regarding its fiduciary status under the Employee Retirement Income Security Act ("ERISA") and Massachusetts General Laws? Will your firm expressly acknowledge in writing that it is a fiduciary within the context of ERISA and the Massachusetts General Laws?
45. Which areas of fiduciary responsibility will your firm assume? Describe your fiduciary relationship with the individual participant.
46. Do you intend to contract with the Plan or to contract directly with the individual participants seeking investment advice? Describe the pros and cons of each approach and the implications on the fee proposal.

47. Provide any legal opinion letters related to advice issued to the firm concerning ERISA fiduciary and prohibited transaction issues.
48. Have you sought, or do you plan to seek from the US Department of Labor or any other governmental authority an opinion letter regarding the company's investment advice or education services? Provide copies if applicable.
49. Provide a summary of the firm's understanding of the Commonwealth's potential liability for making this program available to plan participants and how that liability could be eliminated or minimized.

Other Capabilities:

50. Describe how your firm measures plan sponsor and participant satisfaction. Provide samples of any surveys used.
51. Describe whether or not participant investment results have improved as a result of the use of your firm's advice product. Provide any independent reports that indicate the actual investment results of the advice provided.
52. Describe any item in the scope of work that your firm has an issue with or provide additional items that should be included.

Conflicts of Interest

53. Please identify any actual or potential conflicts of interest that could affect the objectivity or credibility of the firm's investment advice, and describe the firm's efforts to disclose or manage those conflicts of interest. Include the business or activities of any corporate parent or affiliates, brokerage activities, investment management activities, or investment banking activities.
54. How are the firm's personnel (*e.g.*, individual CFP's) compensated (*e.g.*, salary or commission)?
55. For investment advice unrelated to the Plan's investment options, what is the range of investment products and options that the firm can recommend? How is that universe of investment products and options identified? Is special consideration (for or against) given to investment products offered by the firm or its affiliates?
56. Describe whether or not your service to retirement plan participants is segregated from your retail customer service.
57. Identify and describe any revenue-sharing arrangements with respect to the investment advice program for the Plan.

F. Mutual Fund Window

1. Mutual Fund Window Product Name:
2. Valuation Frequency:
3. Complete the following information as of September 30, 2012:

Plan type	Number of plans	Total participants in all plans	Number of participants using the option	Assets of largest plan	Total participants of largest plan	Number of participants in the largest plan using the option
401(k)						
457						
403(b)						
401(a)						

4. Please list the 5 largest defined contribution plans for which your firm provides a mutual fund window.

Name	Date of Inception	Sept 30, 2012 Mkt Value	# of Participants

5. Please indicate the capacities in which you work with plans:

Capacity	Funds Only	Stocks and Bonds	Do Not Serve in This Capacity
Exclusive provider of <i>all</i> investment options			
Option for broader investment access. Other core options provided by other firms. <i>Coordinated through TPA</i> ²			
Option for broader investment access. Other core options provided by other firms. <i>Parallel provider of option</i> ³			

² Electronic connection to TPA or record keeper with account balances appearing on a single statement and/or VRU and Internet.

³ No direct or automatic information exchange with record keeper for core options. Transfers of participant assets are done manually.

6. List the number of clients and amount of assets gained and lost in the mutual fund window.

	Gained		Lost	
	# Clients	Assets	# Clients	Assets
Through 09/30/2012				
2011				
2010				
2009				

7. List 3 defined contribution plan clients who can be contacted as references. References with similar characteristics to the Commonwealth would be preferred. Include the following information:

Firm Name/Contact/Phone #	Account Size	Inception Date

8. Describe how your mutual fund window division is organized.
9. Provide a list of the professions who would be assigned to the Commonwealth's account. Please complete your response to this section by using the table below:

CLIENT SERVICE

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	School/Sponsoring Body

BROKERS / TRADERS

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

VOICE RESPONSE PERSONNEL

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

10. Discuss the causes and impact of any turnover (departures or hiring/promotions) of any professionals directly involved in the product you have experienced in the past five years. Indicate when and why any professional dedicated to the product left or joined the firm in the past three years. What were/are their job responsibilities? For personnel who have left indicate job titles and years with the firm and who replaced them.

JOINED

Date	Name/Title	Responsibilities

DEPARTED

Date	Name/Title	Responsibilities	Yrs @ Firm	Reason for leaving	Replaced by (name/title)

11. Describe your internal training procedures for brokers/traders, client service, and voice response system personnel.
12. Discuss your organization's compensation and incentive program. How are professionals evaluated and rewarded? What incentives are provided to attract and retain superior individuals? If equity ownership is possible, on what basis is it determined and distributed?
13. Describe your firm's backup procedures in the event the key investment professional assigned to this account should leave the firm.
14. Describe the job qualifications required by your firm when hiring:
 - i. brokers/traders;
 - ii. client service providers;
 - iii. voice response personnel; and
 - iv. system professionals.
15. What personnel or organizational improvements are planned over the next year?

Mutual Fund Window - Scope of Mutual Fund Network:

16. Provide a description of the mutual fund window offered by your firm. Explain in detail how the mutual funds were selected. Include a description of the procedure that would be used if any funds that are offered became closed or were no longer made available through the window.
17. How many no-load funds are available *without a transaction fee*?
 - i. Describe any conditions for avoiding a transaction fee (e.g. minimum holding period).
18. How many no-load funds are available *with a transaction fee*?
19. How many load funds are available?
 - i. Describe if waivers of sales loads are available to participants in employee benefit programs.
20. Describe whether or not there are a maximum or minimum number of mutual funds that can be provided through your mutual fund window service.
21. Describe if the Commonwealth can restrict the funds available to plan participants. If so, describe the constraints that can be imposed.
22. Please attach a list of all funds available in your network, separated by fund group. If possible, put the information in an Excel spreadsheet and enclose it on a diskette.
23. Do you recommend placing a limit on the amount of individual participant assets that can be used in the mutual fund window? Please provide examples of limits used by other plan sponsors (client name disclosure is not necessary).

24. Do you allow third parties to trade within a participant's mutual fund window account?
25. Describe the controls your firm has put in place to ensure that assets held within the mutual fund window accounts comply with ERISA.
26. Describe how you would ensure that account limitations are not violated (i.e. maximum contribution limitation).
27. Describe how you would interact with the recordkeeping system.
28. Describe the quality standards that are in place to prevent trading errors. Indicate the incidence (as a percentage of total trades) of trading errors within your systems. How are trading errors resolved once they are identified?

Mutual Fund Window / Selection, Advice and Information:

29. What information and/or screening tools do you make available on mutual funds?
30. What research capabilities does your firm offer to participants who utilize the mutual fund window option?
31. Do you provide a recommended list of funds or offer a service that does so? If so, please briefly describe.

Mutual Fund Window - Reporting Capabilities to the Commonwealth

32. The Commonwealth will need plan level information, aggregated for all participants. Describe whether or not your firm can provide the following summary information:
 - i. Beginning Balance;
 - ii. Transfers In;
 - iii. Transfers Out;
 - iv. Distributions;
 - v. Income;
 - vi. Fees and Commissions;
 - vii. Adjustments;
 - viii. Change in Market Value; and
 - ix. Ending Balance
33. If you cannot provide the above, please describe your capabilities for consolidated financial reporting to the Commonwealth.
34. Please provide any sample reports that you currently provide to defined contribution plan sponsors.
35. Please provide sample copies of participant account statements.
36. What delivery media is available?

Mutual Fund Window- Participant Services

37. Describe the minimums, if any that apply to initial investments and subsequent additions. If there are minimums, can they be waived?
38. Describe the process and timeframe by which a participant would establish an account and transfer assets. Include sample forms.

39. Briefly describe your participant service capabilities in the following areas:
- i. Commonwealth Local Offices and Staff;
 - ii. Telephone Call Centers;
 - iii. Internet; and
 - iv. Voice Response.
40. Describe whether or not your service to retirement plan participants is segregated from your retail customer service.
41. How is information regarding individual mutual funds disseminated to participants (*i.e.*, prospectus)? Who is responsible for providing this information?
42. Do you have the ability to administer required minimum distributions from a 457 plan?
43. Do you have the ability to administer hardship distributions?
44. Do you have the ability to administer QDRO's?
45. What distribution options are available (recurring payments, lump sum etc.)?
46. Do you provide assistance and/or monitoring for the minimum distribution requirements?

Mutual Fund Window- Other Capabilities

47. Do you offer retirement planning or investment advice? If so, please briefly describe the following:
- i. Formal Planning Services;
 - ii. Access to Registered Representatives; and
 - iii. Priority Methodology.
48. Describe your commitment to technology investment as it relates to the mutual fund window.
49. Please add any additional comments that you feel are appropriate in evaluating the feasibility and desirability of offering this type of capability to participants.
50. Describe any items in the scope of work that your firm has an issue with or provide additional items that should be included.

G. Client Relations and References

1. How many 401K, 457, and 403B plan recordkeeping clients and participants have you gained and lost in the last three years? For any accounts lost, explain the reason for termination.

401K Plans

	<i>Clients Added:</i>		<i>Clients Lost:</i>	
	Number of Plans	Total Assets	Number of Plans	Total Assets
Through 09/30/2012				
2011				
2010				
2009				

457 Plans

	<i>Clients Added:</i>		<i>Clients Lost:</i>	
	Number of Plans	Total Assets	Number of Plans	Total Assets
Through 09/30/2012				
2011				
2010				
2009				

403B Plans

	<i>Clients Added:</i>		<i>Clients Lost:</i>	
	Number of Plans	Total Assets	Number of Plans	Total Assets
Through 09/30/2012				
2011				
2010				
2009				

2. Provide three references which currently use your recordkeeping services, administration, employee communication services, trustee services (note: at least one reference should be a client of the team proposed to be responsible for this account). (Include the contact name, company, telephone number, number of plan participants, total plan assets, scope of services and length of the relationship).
3. Provide references for three 457 clients that have terminated your firm's services over the past three years. (Include the contact name, company, telephone number, number of plan participants, total plan assets, scope of services and length of the relationship).

Attachment A – Cost Proposal

FIRM: _____

RFR: _____

Once a bidder(s) has been selected, negotiations of the fee may become necessary but in no case will the negotiations result in a fee that is higher than the fee contained in the proposal. The Treasury, on behalf of the Deferred Compensation Plan, and on behalf of the Commonwealth-sponsored retirement plan established for employees of non-profit organizations, reserves the right to further negotiate fees and fee structure with the selected bidder.

Please propose fees in the following format assuming that the Commonwealth maintains its current investment options.

A. ADMINISTRATION/RECORDKEEPING & COMMUNICATION/EDUCATION

1. Complete the table below for the administration/recordkeeping and communication/education fees proposed by your firm

Commonwealth of Massachusetts Deferred Compensation Plan – 457(b)				
	Rate Charges for Full-time Accounts	Rate Charges for OBRA Accounts (Select Most Appropriate Category)		Total Fees (\$)
	Asset Based Fee in Basis Points – Capped	Asset Based Fee in Basis Pts. – Capped	Per Person Fee in Dollars	
Administration-Trust/ Recordkeeping/ Communication/ Education				
Total Fees				

	Rate Charges for Non-Profit Plan Accounts		Total Fees (\$)
	Asset Based Fee in Basis Points – Capped	Per Person Fee in Dollars	
Administration-Trust/ Recordkeeping/ Communication/ Education			

Please provide the cost for any tax filing fees for a Non-Safe Harbor Plan vs. a Safe Harbor Plan			
Total Fees			

2. Describe the underlying assumptions that went into answering the prior question (with respect to both the Deferred Compensation Plan and the Non-Profit Plan).

B. ADVICE FEE BIDS

1. Complete the table below. Please list separate schedules if you are proposing different fees for different service clients (*e.g.*, internet-based, telephone-based, “in-person” meetings, other) being proposed. Within the table specify the below fees and any other applicable fees not included in the below list:
- Per participant account fees.
 - Annual Flat fee.
 - Asset based fee.
 - Asset based fee- capped
 - Other fees

Rate Charges for Full-time 457(b) Accounts						
Product Name	Comm. Of MA Assets	Per Participant Account Fee	Annual Flat fee	Asset-Based Fee	Asset Based Fee-capped	Other Fee (Specify)
Total Fees						

Rate Charges for Non-Profit Plan Accounts						
Product Name	Comm. Of MA Assets	Per Participant Account Fee	Annual Flat fee	Asset-Based Fee	Asset Based Fee-capped	<u>Other Fee</u> (Specify)
Total Fees						

2. Will you provide any rebates or revenue sharing arrangements to help offset the Commonwealth's costs of operating the program? Are there any fee rebates available to the record keeper? Are there any other rebates that the record keeper is obtaining from the investment manager/funds? Disclose all fee relationships with the Commonwealth's current managers, custodian and record keeper, complete the below table if applicable. Also disclose any relationships with outside investment providers (i.e. fund networks) and how these arrangements impact fees if such a fund in the network were selected as an investment provider.

Product Name	Rebate to Record keeper	
	Basis Points	Dollars

C. MUTUAL FUND WINDOW FEE BIDS

1. Complete the below table. Please list separate schedules for separate products being proposed. Within the table specify the following fees (**if applicable, segment the table by no load funds, no transaction fee funds, and load funds**). Specify if there are investment minimums for any category:
 - a. Per participant recordkeeping account fee.
 - b. Asset based fee.
 - c. Other fees

	Product Name	Commonwealth Assets (Use Provided Assumptions)	Per Participant Acct Fee	Asset Based Fee	Brokerage Fees	Other Fee ¹ (Specify)
Rate Charges for Full-time 457(b) Accounts						
Rate Charges for Non- Profit Plan Accounts						
Total Fees						

2. Will you provide any rebates or revenue sharing arrangements to help offset the Commonwealth's costs of operating the program? Are there any fee rebates available to the recordkeeper? Are there any other rebates that the recordkeeper is obtaining from the investment manager/funds? Disclose all fee relationships with The Commonwealth's current managers, custodian, and recordkeeper, complete the below table if applicable. Also disclose any relationships with outside investment providers (*i.e.* fund networks) and how these arrangements impact fees if such a fund in the network were selected as an investment provider.

	Rebate to Recordkeeper	
Product Name	Basis Points	Dollars

D. GENERAL

1. Describe in detail how your firm calculates fees and why you believe your firm's fee structure would be advantageous to the Plan.
2. Describe any further fee reduction or rebate that would be available to the Plan and under what circumstances these fee reductions/rebates would be available.

Name of Firm

Date

Signature

Title

¹ Specify the "other fee." "Other fees" should include, but not be limited to, fees associated with participants' transfer of account balances between investment options, including investment transfer expenses and any front end loads, contingent back-end loads, termination fees, redemption fees and surrender charges. In addition, any wrap fees or pricing charges for non-publicly traded assets should also be included.

Attachment B

REPRESENTATIONS AND WARRANTIES

Compliance with all criteria listed below is mandatory in order for a bid to be accepted for further review. Lack of compliance will automatically disqualify the bidder. All respondents are required to submit an executed copy of the *Representations and Warranties*.

The Treasury requests that you submit this *Representations and Warranties*, on your letterhead, signed by an individual with the authority to bind the firm. The Bidder MUST address/respond to each of the requirements/criteria listed in this section.

1. Bidder warrants that it meets, or will meet before the award of the Contract, the bonding requirement provided by Section 412 of the Employment Retirement Income Security Act of 1974 (ERISA) or that it carries at least an equivalent fidelity bond that will be applicable to respondent's actions under that Contract. **(Provide a copy or proof of a fidelity bond indicating that all employees who perform work under the contract are covered, unless exempt, and an explanation of exemption is attached).**
2. Bidder warrants that it maintains an errors and omissions insurance policy as well as fiduciary liability insurance providing a prudent amount of coverage for negligent acts or omissions and that such coverage will be applicable to bidder's actions under the Contract.
3. Bidder warrants that it will not delegate its fiduciary responsibilities assumed under the Contract.
4. Bidder warrants that it has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government or governmental authority for acts contemplated by the Contract.
5. Bidder warrants that it agrees to meet every specification, requirement, or condition set forth in the RFR and any additional contract document executed by the parties.
6. Bidder warrants that it meets all of the minimum qualifications applicable to the firm under this RFR as follows:

Please list each minimum requirement and specifically describe how your firm meets the applicable minimum qualifications specified in Section V.A. You must provide this information, as well as a signature on the bottom of this document or your submission may not be processed.

All Services:

- a. The Bidder must be SEC-registered or exempt from registration. If the Bidder is exempt it must provide /explain the nature of the exemption. The Bidder must submit its full Form; [the ADV Form should be submitted via compact disc (CD).]

Recordkeeping, Administration and Trust Services:

- b. As of September 30, 2012, the Bidder must have at least \$50 billion in total IRC 401K, 403B, and 457 plan assets, excluding the Bidder's own plan, under administration.
- c. As of September 30, 2012, the Bidder must have provided recordkeeping, administration and trust services for IRC 401K, 403B or 457 plans, excluding the Bidder's own plan, for at least five years.
- d. As of September 30, 2012, the Bidder must have provided recordkeeping, administration and trust services for at least one IRC 401K, 403B or 457 plan, excluding the Bidder's own plan, in which the total number of participants exceeded 20,000.

Communication and Educational Services:

- e. As of September 30, 2012 the Bidder must have provided communication and educational services to IRC 401K, 403B and 457 plans, excluding the Bidder's own plan, with assets totaling at least \$50 billion.
- f. As of September 30, 2012 the Bidder must have provided communication and educational services for an IRC 401K, 403B or 457 plan, excluding the Bidder's own plan, for at least five years.
- g. As of September 30, 2012, the Bidder must have provided communication and educational services for at least one IRC 401K, 403B or 457 plan, excluding the Bidder's own plan, in which the total number of participants exceeded 20,000.

Advice Services:

- h. The Bidder must offer investment advice to IRC 457, 401K or 403B plans.

Mutual Fund Window:

- i. The Bidder must have at least one (1) year of experience managing mutual fund window option programs. (Please state years of experience).
- j. The Bidder must be able to provide mutual fund window services without providing other brokerage services (such as stock and bond brokerage services).
- k. The Bidder must have at least three IRC 401K, 403B or 457 plans invested in mutual fund window options, as of September 30, 2012.
- l. The Bidder must provide a mutual fund window to plans with over \$500 million in total plan assets (taxable & tax exempt) as of September 30, 2012.

Name of Firm

Date

Signature

Title

Attachment C
COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE STATE TREASURER AND RECEIVER-GENERAL
DISCLOSURE STATEMENT

FIRM: _____
ADDRESS: _____

Firms seeking to provide investment management, consulting, custody, recordkeeping, auditing and other professional services (the “engagement”) to the Commonwealth of Massachusetts Office of the State Treasurer and Receiver-General in general, and in particular, to the Commonwealth of Massachusetts Deferred Compensation Plan (“Plan”) must complete a disclosure statement providing complete and accurate responses to the questions below. Firms selected to such services to the Office of the State Treasurer and Receiver-General have a continuing obligation to update responses to these questions, in writing, immediately upon any change to such responses. The questions in this Disclosure Statement should be read broadly, and any perceived ambiguity should be resolved in favor of disclosure. Any questions concerning the disclosures required should be directed to the Office of the State Treasurer and Receiver-General.

1. Describe in detail your firm’s organizational structure, and identify any controlling stockholders, parents, subsidiaries, affiliates, partners, general partners, or principals (all such individuals or entities hereinafter collectively referred to as the “firm.”)
2. Identify any relationship of the firm, its joint ventures, consultants, lobbyists, subcontractors, agents, or placement agents that relate in any way to the engagement.
3. Aside from the engagement, describe any services provided by the firm to the Commonwealth.
4. Aside from the services described in response to Question 3, above, describe any services provided by the firm to the Office of the State Treasurer and Receiver-General or any trust, board, commission or authority of which the State Treasurer and Receiver-General is a member or trustee. (A list of such entities is attached as Appendix A).
5. Aside from the services described in responses to Questions 3 and 4, above, describe any services provided by the firm to the Commonwealth of Massachusetts or any of its political subdivisions.
6. Did or will the firm provide or share, agree to provide or share, or arrange to provide or share any compensation or benefit, direct or indirect, to any individual or entity for assisting the firm in:
 - a) obtaining the engagement; or,
 - b) performing the services required by the engagement.

If the answer to Question 6 is “yes,” provide for each the individual or entity:

- a) the name and address of such individual or entity;
 - b) a description of the assistance provided; and
 - c) the compensation or benefit.
7. Does the firm have any ongoing relationship, arrangement or agreement with any individual or entity with respect to sharing compensation for services to:
 - a) PRIM;

- b) any trust, board, commission, or authority of which the Treasurer is a member or trustee; or
- c) the Commonwealth of Massachusetts or its political subdivisions.

If the answer to Question 7 is “yes,” provide for each such individual or entity:

- a) the name and address of such individual or entity;
- b) a description of the relationship, arrangement or agreement; and,
- c) the compensation shared.

Signed under the pains and penalties of this _____ day of _____, 201 ____.

Name: _____
(Print)

Signature: _____

Title: _____

Attachment D

Mandatory Attachment Checklist (Complete and attach to the cover letter)

Firm Name: _____

Mandatory items as detailed in Section V, subsection C.

(Check appropriate box to insure item is completed and submitted).

- | | |
|--|---|
| 1. Cover Letter | Yes <input type="checkbox"/> (signed) |
| 2. Executive Summary | Yes <input type="checkbox"/> (completed) |
| 3. Questionnaire (Section VII) | Yes <input type="checkbox"/> (completed) |
| 4. Cost Proposal (Attachment A) | Yes <input type="checkbox"/> (signed) |
| 5. Reps/Warranties (Attachment B) | Yes <input type="checkbox"/> (signed) |
| 6. Disclosure Statement (Attachment C) | Yes <input type="checkbox"/> (signed) |
| 7. Consultant Contractor Mandatory Submission Form | Yes <input type="checkbox"/> (completed/signed) |
| 8. Commonwealth Terms & Conditions | Yes <input type="checkbox"/> (signed) |
| 9. Standard Contract Form & Instructions | Yes <input type="checkbox"/> (signed) |
| 10. Taxpayer Identification Number and Certification (W-9) | Yes <input type="checkbox"/> (signed) |
| 11. Contractor Authorized Signatory Listing Form | Yes <input type="checkbox"/> (signed & notarized) |
| 12. Business Reference Form | Yes <input type="checkbox"/> (in addition to questionnaire info.) |
| 13. Tax Compliance Certification Form | Yes <input type="checkbox"/> (certificate / proof of application) |
| 14. Treasury Supplier Diversity Program (TSDP) Plan Form | Yes <input type="checkbox"/> (completed/signed) |
| 15. Invest in Massachusetts Data (IMD) Form | Yes <input type="checkbox"/> (completed/signed) |
| 16. Certificate of Non-Collusion | Yes <input type="checkbox"/> (signed) |
| 17. Fidelity Bond or Certificate of Liability Insurance | Yes <input type="checkbox"/> |
| 18. ADV Form (in CD Form) | Yes <input type="checkbox"/> |
| 19. Executive Order 504 Form | Yes <input type="checkbox"/> (signed) |

Appendix A

TREASURER’S PRINCIPAL BOARDS, COMMISSIONS AND AUTHORITIES*

1. Finance Advisory Board – M.G.L. c.6, §§97-8
2. Advisory Board to the Comptroller – M.G.L. c.7A, §2
3. Investment Advisory Council – M.G.L. c.10, §5B
4. State Retirement Board – M.G.L. c.10, §18
5. State Lottery Commission – M.G.L. c.10, §23
6. Board of Bank Incorporation – M.G.L. c.26, §5
(Division of Banks and Loan Agencies)
7. Water Pollution Abatement Trust – M.G.L. c.29C, §2
8. Pension Reserves Investment Management Board – M.G.L. c.32, §23(2A)
9. Massachusetts School Building Authority – M.G.L. c.70B, §§1A & 3A; *see also* M.G.L. c.10, §35BB
10. Teachers’ Retirement Board – M.G.L. c.15, §16
11. Alcoholic Beverages Control Commission – M.G.L. c.10, §70
12. Commonwealth Covenant Fund – M.G.L. c.10, §35EE
13. Health Care Security Trust – M.G.L. c.10, §4
14. Commissioners on fireman’s relief – M.G.L. c.10, §21
15. Retirement Law Commission – M.G.L. c.10, §35I
16. Financial Literacy Trust Fund – M.G.L. c.10, §35QQ

*Positions on these Boards, Commissions or Authorities may be held by the State Treasurer and Receiver-General, his designee, or an individual appointed by him.

Appendix B

DEFERRED COMPENSATION PLAN BACKGROUND INFORMATION

A. PLAN

The Commonwealth's 457 Plan is available to public employees in Massachusetts, including state employees, public school teachers, and employees of cities, towns, political subdivisions and instrumentalities.

The Commonwealth established its Deferred Compensation Plan (hereafter referred to as "the Plan") in 1976 as a non-qualified public employee benefit plan. The Plan is intended to comply with Section 457 of the Internal Revenue Code and the Treasury Regulations promulgated thereunder. The Plan currently has assets of approximately \$5.4 billion, with approximately 95,000 full-time participants and approximately 162,000 part-time ("OBRA") active participants, and is currently administered by Great-West Retirement Services ("Great West"). A copy of the Plan document will be provided to firms upon written request. Additional information about the Plan is available at www.mass-smart.com.

B. INVESTMENT OPTIONS

Participants in the Plan currently have the following investment options:

1. ASSET ALLOCATION FUNDS

- SMART Path Retirement Funds*
Target date lifecycle funds, consisting of 12 funds in five-year vintage increments ranging from 2000 to 2055 managed by AllianceBernstein L.P. The underlying funds consist primarily of the Commonwealth's index funds.

2. CORE INVESTMENT OPTIONS (ALL CORE OPTIONS ARE PLAIN LABEL – PRICING IS UNITIZED)

- Money Market Fund:
Vanguard Prime Money Market Fund Institutional Shares: Investment objective is to provide current income while maintaining liquidity and a stable share price of \$1.
- Stable Value Fund:
The Income Fund – The Income Fund is a diversified portfolio of stable value investment contracts and book value "wrap" contracts negotiated by Dwight Asset Management ("Dwight"), Inc. with insurance companies to provide for payment at book value of participant withdrawals, transfers, and other allowable Plan benefit elections. The majority of Fund assets are invested in contracts containing high quality fixed income investments that are actively managed by Dwight, Chicago Equity partners, Income Research and Management, and Wells Capital Management. **Mellon custodies assets for the Fund and provides a net NAV to the recordkeeper, daily.** The Income Fund seeks to provide a relatively high fixed income yield with little market-related risk. Of primary importance is the preservation of principal and earned interest. Secondary to the preservation of capital is the need to generate, over time, a composite yield in excess of short-term yields available in the fixed income marketplace.

The Omnibus Budget Reconciliation Act of 1990 (OBRA) requires that state employees who are not eligible to participate in the Commonwealth's Defined Benefit Plan (such as part-time, seasonal or temporary employees, etc.) have a contribution option. Otherwise, these employees and the Commonwealth would be required to contribute to Social Security. The Income Fund

fulfills this OBRA requirement and receives the 7.5% mandatory contributions of the Plan's OBRA participants.

- Diversified Bond Fund:
PIMCO Total Return Fund Institutional Shares: Investment objective is to seek maximum total return, consistent with preservation of capital and prudent investment management. NAV provided to recordkeeper via NSCC.
- Bond Index Fund:
SSGA U.S. Bond Index Securities Lending Series Fund Class I – Investment objective is to seek to match, before deduction of fees and expenses, the total return of the Lehman Aggregate Bond Index.
NAV provided to recordkeeper via Custodian.
- Large Company Blend Stock Fund:
The Fidelity Fund
Investment objective is long term capital growth.
NAV provided to recordkeeper via NSCC
- Large Company Blend Stock Enhanced Index Fund:
T. Rowe Price Structured Research Common Trust
Investment objective is to outperform the S&P 500 Index
NAV provided to recordkeeper via fund's custodian (BONY).
- Large Company Stock Index Fund:
SSGA S&P 500 Index Securities Lending Series Fund Class I Investment objective is to match the total return performance of the S&P 500 Index.
NAV provided to recordkeeper via Custodian.
- Small Company Stock Fund:
Wellington Trust Company CIF II Small Cap Opportunities Portfolio
The objective of the portfolio is to provide long-term returns in excess of the Russell 2000 Index by investing in equity securities of high-quality small companies.
NAV provided to recordkeeper via Custodian.
- Small Company Stock Index Fund:
SSGA Russell Small Cap Index Securities Lending Series Fund Class I Investment objective is to match the total return performance of the Russell 2000 Index.
NAV provided to recordkeeper via Custodian.
- International Equity Fund:
International Equity Fund
Investment objective is long term growth of capital and income through investments in a portfolio comprised primarily of equity securities of non-U.S. issuers and securities whose principal market is outside the U.S. This investment is a combination of two separately managed trusts, The MFS Institutional International Equity Fund and the Harding Loevner International Equity Portfolio
- High Yield Bond Fund:
Eaton Vance High Yield Fund- Institutional
Seeks maximum total return consistent with preservation of capital and prudent investment management by investing in a diversified portfolio of high yield securities.
NAV provided to recordkeeper via NSCC.
- Treasury Inflation Protection Securities "TIPS" Index Fund

SSGA U.S. Inflation Protected Bond Index Non-Lending Series Fund Class A Investment objective seeks to match the return of the Lehman Brothers Inflation Notes Index by investing in a portfolio of US Treasury inflation protected securities.
NAV provided to recordkeeper via Custodian.

- International Stock Index Fund:
SSGA International Index Securities Lending Series Fund Class I
Investment objective is to match the total return performance of the (MSCI) EAFE Index.
NAV provided to recordkeeper via Custodian.

3. SPECIALTY STOCK

- Large Company Growth Stock Fund:
Fidelity Growth Company Fund
The portfolio seeks capital appreciation
NAV provided to recordkeeper via NSCC.
- Large Company Value Stock Fund:
Eaton Vance Large Cap Value Trust
The portfolio seeks to achieve long-term total return in excess of the Russell 1000 Value index by investing primarily in US securities undervalued relative to the benchmark index.
NAV provided to recordkeeper via fund's custodian
- Real Estate "REIT" Fund:
INVESCO Equity Real Estate Securities Trust
Investment objective is to seek current income with long term-appreciation generally investing in REIT and other publicly traded stocks that derive a substantial portion of their revenues from the real estate industry.
NAV provided to recordkeeper via fund's custodian (Bisys).

4. SELF DIRECTED

- Mutual Fund Window:
Ameritrade – A self-directed brokerage window offered through Great West.

5. LIFE INSURANCE

Universal Life Insurance by Monumental Life Insurance Company (Aegon Insurance Group).
This option is closed to new participants.

C. TOTAL ASSETS (\$5.6 BILLION) BY INVESTMENT PRODUCT AS OF SEPTEMBER 30, 2012

The Income Fund (Stable Value)	\$1,613,083,751
Asset Allocation Funds (SMART PATH Funds)	\$649,000,000
Bond Index Fund	\$147,795,000
Large Company Stock Index Fund	\$254,964,000

Small Company Stock Index Fund	\$126,859,000
International Stock Index Fund	\$196,065,000
Money Market Fund	\$98,902,000
Diversified Bond Fund	\$224,904,000
Large Company Blend Stock Fund	\$553,758,000
Large Company Blend Stock Enhanced Index Fund	\$111,714,000
Small Company Stock Fund	\$363,552,000
International Equity Fund	\$106,229,000
Treasury Inflation Protection "TIPS" Index Fund	\$61,603,000
Large Company Value Stock Fund	\$106,169,000
Large Company Growth Stock Fund	\$781,983,000
High Yield Bond Fund	\$47,349,000
Real Estate "REIT" Fund	\$111,260,000
Ameritrade Account	\$46,779,000

D. RECORDKEEPING, ADMINISTRATION, TRUST AND EDUCATION SERVICES.

Great-West Retirement Services is the third-party administrator (providing recordkeeping, administration, communication/education, and trust services) for the previously listed investment options.

E. CURRENT ADVICE SERVICES

Great-West offers **Reality Investing** as a behavior-based approach to investing that provides investment advisory tools and services based upon the level of involvement the Participant desires when managing his or her investments.

Total number of participants enrolled in advice services: 14,493
(\$424 million Assets under advisement) as of 09/30/2012